



REGULAR MEETING BOARD OF DIRECTORS

North Bay Conference Room (Room 145)
Sunnyvale City Hall
456 W. Olive Avenue
Sunnyvale, CA 94086

JANUARY 22, 2026
7:00 PM

Meeting Information:

- *Board meetings are open to the public at the location shown above.*
- *Members of the public may use the information below to join the webinar:*
 - **Webinar ID: 881 1396 2212**
 - **Passcode: 253273**
- *Meeting also livestreamed on YouTube: <https://www.youtube.com/@citiesassoc>*
- *More information on public comment and accessibility is given at the end of the agenda.*

Vice Mayor Lisa Shannon will attend via teleconference from 9683 Lake Natoma Drive, Orangevale, CA 95662. This teleconference location is open to the public and any member of the public may address the Board of Directors members from the teleconference location.

WELCOME & CALL TO ORDER – (WALIA)

ROLL CALL (SIRKAY)

ORAL COMMUNICATIONS FROM THE PUBLIC ON NONAGENDIZED ITEMS

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AGENDA

1. President Introduction (Walia)
2. Consent Agenda (Walia/Sirkay)
 - a. Approve Minutes from Board of Directors Meeting on November 13, 2025
 - b. Approve Minutes from Board of Directors Special Meeting on December 7, 2025
 - c. Amendment No. 1 to Agreement for Executive Director Services
3. CASC Orientation: Discussion (Sirkay)
4. 2026 Meeting Calendar for Executive Committee, Board of Directors, Legislative Action Committee, and City Selection Committee: Discussion and Possible Action (Walia)
5. Determine Priority Areas to Guide 2026 CASC Work and Activities: Discussion and Possible Action (Walia)
6. Cities Association Budget Update: Discussion and Possible Action (Kirby/Quinn)
 - a. Reserve and Investment Policy: Discussion and Possible Action (Quinn)
 - b. Budget Update and Potential Adjustments: Discussion and Possible Action (Kirby)
7. Consideration of Request by the City of Cupertino for Amendment to Cities Association Joint Powers Agreement and Bylaws: Discussion and Possible Action (Walia/Quinn)
8. City Selection Committee Update (Klein/Chair)
9. Legislative Action Committee Update (Scozzola)
10. Santa Clara County Update (Preminger)
11. Santa Clara County City Managers Association Update (Kirby/Morley)
12. Executive Director Update (Sirkay)
13. Joys and Challenges (All)

ADJOURN (WALIA)

PUBLIC PARTICIPATION OPTIONS

Online Participation:

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3. Provide oral public comments virtually during the meeting
 - When the President/Chair announces the item on which you wish to speak, click the “raise hand” feature in Zoom. Speakers will be notified shortly before they are called to speak.
 - When called to speak, please limit your comments to the time allotted (up to 3 minutes, at the discretion of the Chair).
 - Phone participants:
 - *6 - Toggle mute/unmute
 - *9 - Raise hand

ACCESSIBILITY

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REGULAR MEETING BOARD OF DIRECTORS

North Bay Conference Room (Room 145)
Sunnyvale City Hall
456 W. Olive Avenue
Sunnyvale, CA 94086

NOVEMBER 13, 2025
7:00 PM

AGENDA IN BLACK/**MINUTES IN RED**

Meeting Information:

- *Board meetings are open to the public at the location shown above.*
 - *Members of the public may use the information below to join the webinar:*
Webinar ID: 835 1075 6481
Passcode: 519682
 - *Meeting also livestreamed on YouTube: <https://www.youtube.com/@citiesassoc>*
 - *More information on public comment and accessibility is given at the end of the agenda.*
-

WELCOME & CALL TO ORDER – (KLEIN)

Meeting called to order at 7:03 PM

ROLL CALL (SIRKAY)

Board Members Present (15):

Campbell	Anne Bybee
Cupertino	Kitty Moore
Gilroy	Greg Bozzo
Los Altos	Neysa Fligor
Los Altos Hills	George Tyson*
Los Gatos	Matthew Hudes
Milpitas	Carmen Montano
Monte Sereno	Ken Toren
Morgan Hill	Mark Turner
Mountain View	Ellen Kamei (arrived 7:22 PM)
Palo Alto	Ed Lauing
San Jose	Rosemary Kamei
Santa Clara	Kelly Cox
Saratoga	Tina Walia
Sunnyvale	Larry Klein

*Alternate

Board Members Absent: (0)

Also Present (2):

Tim Kirby	City Manager, Sunnyvale
Jannie Quinn	CASCC Co-Legal Counsel, Renne Public Law Group
Shali Sirkay	Executive Director

Members of the Public Present (11):

Samantha Dolgoff	Community Planning Collaborative
David Driskell	Community Planning Collaborative
J.R. Fruen	Councilmember, Cupertino
Terry Hines	Councilmember, Campbell
Victoria Ketell	City Manager's Office, Sunnyvale
Luis Melecio-Zambrano	Reporter, Bay Area News Group
Matt Morley	City Manager, Saratoga
Steve Preminger	Director, Community & Civic Engagement for SCC
Linda Sell	Vice Mayor, Sunnyvale

ORAL COMMUNICATIONS FROM THE PUBLIC ON NONAGENDIZED ITEMS

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No public comment on non-agendized items

AGENDA

1. Consent Agenda (Klein)

- a. Approve Minutes from Board of Directors Meeting September 11, 2025

Motion to *approve the consent calendar as presented by Turner*

Second by R. Kamei

AYES: 14

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1 (E. Kamei)

Motion passes 14-0-0-1

2. President Update (Klein)

- a. Holiday Party

3. Election of 2026 Executive Committee Members: Action (Klein)

The Nominating Committee of the CASC recommended the following slate of officers for the 2026 Executive Committee:

- **President-** Tina Walia (Councilmember, Saratoga)
- **First Vice President-** JR Fruen (Councilmember, Cupertino)
- **Second Vice President/LAC Chair-** Elliot Scozzola (Councilmember, Campbell)
- **Immediate Past President-** Larry Klein (Mayor, Sunnyvale)

For the **Secretary/Treasurer** position, the Nominating Committee dually endorsed Kitty Moore (Vice Mayor, Cupertino) and Vicki Veenker (Vice Mayor, Palo Alto). Vice Mayor Veenker withdrew her application for Secretary/Treasurer on November 13, 2025.

Nominations from the floor:

- Rosemary Kamei nominated herself for Secretary/Treasurer
- Mark Turner nominated by Kitty Moore for First Vice President

Elections

Immediate Past President: Candidate Mayor Larry Klein

Roll Call Vote:

15 votes in favor of Mayor Larry Klein serving as Immediate Past President

0 Abstentions

0 Absent

President Candidate: Councilmember Tina Walia

Voice Vote:

15 votes in favor of Councilmember Tina Walia serving as Cities Association Board President

0 Abstentions

0 Absent

First Vice President Candidates: Councilmember J.R. Fruen and Mayor Mark Turner

Nominations from the Floor: Mayor Mark Turner nominated by Mayor Kitty Moore for First Vice President

Roll Call Vote (in random order):

CITY	VOTE
Palo Alto	Fruen
Cupertino	Turner
Los Altos Hills	Fruen
Milpitas	Turner
Saratoga	Fruen
Morgan Hill	Turner
Mountain View	Fruen
Campbell	Turner
Sunnyvale	Fruen
Santa Clara	Fruen
Gilroy	Turner
Los Gatos	Fruen
San Jose	Fruen
Los Altos	Fruen
Monte Sereno	Fruen

Results:

10 votes for Councilmember J.R. Fruen

5 votes for Mayor Mark Turner

0 Abstentions

0 Absent

Second Vice President/Legislative Action Committee Chair Candidates: Vice Mayor Kitty Moore & Councilmember Elliot Scozzola

Nominations from the Floor: None

Roll Call Vote (in random order):

CITY	VOTE
San Jose	Scozzola
Morgan Hill	Moore
Campbell	Moore
Cupertino	Moore
Palo Alto	Scozzola
Santa Clara	Scozzola
Los Gatos	Abstain
Sunnyvale	Scozzola
Los Altos	Scozzola
Mountain View	Scozzola
Los Altos Hills	Scozzola
Saratoga	Scozzola
Gilroy	Moore
Monte Sereno	Scozzola
Milpitas	Moore

Results:

9 votes for Councilmember Elliot Scozzola

5 votes for Vice Mayor Kitty Moore

1 Abstention

0 Absent

NOTE: Two non-board members (Fruen and Scozzola) being elected to the Executive Committee nullifies Vice Mayor Rob Moore's candidacy for Secretary/Treasurer since the limit of non-board members serving on the Executive Committee has been met (as per the bylaws of the Cities Association).

Secretary/Treasurer Candidates: Councilmember Rosemary Kamei & Vice Mayor Kitty Moore

Nominations from the Floor: Councilmember Rosemary Kamei nominated herself for Secretary/Treasurer

Roll Call Vote (in random order):

CITY	VOTE
Monte Sereno	Kamei
Milpitas	Kamei
Palo Alto	Kamei
Los Altos	Kamei
Gilroy	Moore
Santa Clara	Kamei
Cupertino	Moore
Morgan Hill	Kamei
Saratoga	Kamei
Los Gatos	Kamei
Sunnyvale	Kamei
Los Altos Hills	Kamei
Campbell	Moore
San Jose	Kamei
Mountain View	Kamei

Results:

12 votes for Councilmember Rosemary Kamei

3 votes for Vice Mayor Kitty Moore

0 Abstentions

0 Absent

Motion to approve the 2026 Executive Committee members as follows:

President: Tina Walia

First Vice President: J.R. Fruen

Second Vice President/Legislative Action Committee Chair: Elliot Scozzola

Secretary/Treasurer: Rosemary Kamei

Immediate Past President: Larry Klein

by Lauing

Second by Turner

AYES: 15

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

Motion passes 15-0-0-0

4. Website Update: Discussion and Possible Action (Klein)

Motion to authorize the Executive Director and legal counsel to negotiate a final agreement with Tripepi Smith and to authorize the President to sign this agreement by Turner

Second by Montano

AYES: 15

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

Motion passes 15-0-0-0

5. Consideration of Amendment to Cities Association Joint Powers Agreement and Bylaws: Discussion and Possible Action (Klein)

a. Mayor Liang Chao, City of Cupertino

Motion to continue Agenda Item 5 to the January 2026 Board of Directors meeting by Turner

Second by K. Moore

AYES: 14

NAYS: 1 (Hudes)

ABSTENTIONS: 0

ABSENT: 0

Motion passes 14-1-0-0

6. Planning Collaborative Update: Discussion and Possible Action (Klein)

- a. Memorandum of Understanding Between Cities Association and Member Jurisdictions (Quinn)
- b. Professional Services Agreement Between Cities Association and Community Planning Collaborative (Quinn)

Motion to (1) Approve and authorize the President to execute a Memorandum of Understanding with the Member agencies to serve as the fiscal agent and administer an agreement for professional services with consultant Community Planning Collaborative and

(2) Approve and authorize the President to execute an Agreement for Professional Services with the Community Planning Collaborative to serve as a consultant to the member agencies and the County in the amount of the funds provided by the member agencies and the County

by K. Moore

Second by Fligor

AYES: 15

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

Motion passes 15-0-0-0

- c. Guest Speaker: David Driskell, Update on Planning Collaborative

7. Cities Association Budget Update: Discussion and Possible Action (Klein)

- a. Budget Update: Discussion and Possible Action (Scozzola and Kirby)
- b. Reserve and Investment Policy: Discussion and Possible Action (Quinn)

Motion to continue Agenda Item 7 to the January 2026 Board of Directors meeting by R. Kamei

Second by K. Moore

AYES: 15

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

Motion passes 15-0-0-0

8. Determine Date of January 2026 Cities Association Meeting: Discussion and Possible Action (Klein)

Motion to move the January Board of Directors meeting to January 22, 2026 by Montano

Second by Fligor

AYES: 15

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

Motion passes 15-0-0-0

9. Legislative Action Committee Update (Fruen)

Public comment by Councilmember Terry Hines

10. Santa Clara County Update (Preminger)

11. Santa Clara County City Managers Association Update (Kirby)

12. Executive Director Update (Sirkay)

13. Joys and Challenges (All)

INFORMATION ITEMS

1. Legislative Action Committee (LAC) Request for Governor's Signature AB 476 (Gonzalez)
2. Legislative Action Committee (LAC) Request for Governor's Signature AB 670 (Quirk-Silva)
3. Legislative Action Committee (LAC) Request for Governor's Signature AB 726 (Avila Farias)
4. Legislative Action Committee (LAC) Request for Governor's Signature SB 346 (Durazo)

ADJOURN (KLEIN)

Meeting adjourned at 9:00 PM

Respectfully submitted on January 22, 2026,



Vaishali Sirkay

Executive Director

Cities Association of Santa Clara County

PUBLIC PARTICIPATION OPTIONS

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**SPECIAL MEETING
BOARD OF DIRECTORS**



Tree House Hotel
1100 N Mathilda Ave,
Sunnyvale, CA 94089

**December 7, 2025
6:15 PM**

AGENDA IN BLACK/MINUTES IN RED

Meeting Information:

- *Board meetings are open to the public at the location shown above.*
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-

WELCOME & CALL TO ORDER – (KLEIN)

Meeting called to order at 6:34 PM

ROLL CALL (SIRKAY)

Board Members Present (8):

Los Altos	Neysa Fligor
Milpitas	Carmen Montano
Monte Sereno	Ken Toren
Mountain View	Ellen Kamei
Palo Alto	Ed Lauing
San Jose	Rosemary Kamei
Saratoga	Tina Walia
Sunnyvale	Larry Klein

*Alternate

Board Members Absent: (7)

Campbell	Anne Bybee
Cupertino	Kitty Moore
Gilroy	Greg Bozzo
Los Altos Hills	Kavita Tankha
Los Gatos	Matthew Hudes
Morgan Hill	Mark Turner
Santa Clara	Kelly Cox

Staff Present (1):

Shali Sirkay	Executive Director
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Meeting recessed from 6:36 PM to 7:30 PM

ORAL COMMUNICATIONS FROM THE PUBLIC ON NONAGENDIZED ITEMS

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None

AGENDA

- 1. Remarks from Hon. Larry Klein, 2025 Cities Association Board President
- 2. Remarks from Hon. Tina Walia, 2026 Cities Association Board President

ADJOURN (KLEIN)

Meeting adjourned at 8:31 PM

Respectfully submitted on January 22, 2026,

Vaishali Sirkay

Vaishali Sirkay
Executive Director
Cities Association of Santa Clara County

PUBLIC COMMENT

Members of the public wishing to comment on an item on the agenda may do so in the following ways:

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Agenda Item No: ____1c____

Meeting Date: January 22, 2026

Agenda Report for Executive Director Services Agreement

To: BOARD OF DIRECTORS

Prepared by: Jannie L. Quinn, General Co-Counsel

SUBJECT: Amendment No. 1 to Agreement for Executive Director Services

RECOMMENDATION:

Authorize the President to execute Amendment No. 1 to the Agreement for Professional Services on behalf of the JPA with Sirkay Group.

BACKGROUND AND ANALYSIS:

The Cities Association entered into an agreement with Vaishali Sirkay to provide Executive Director services for the current fiscal year. At the beginning of this calendar year, Ms. Sirkay formed a corporation, Sirkay Group, and will now provide services through this company. Ms. Sirkay remains an independent contractor. This amendment does not change any of the terms of the underlying agreement, other than clarifying the contracting parties.

FISCAL IMPACT:

NONE.

RECOMMENDATION:

Authorize the President to execute Amendment No. 1 to the Agreement for Professional Services Agreement with Sirkay Group.

ATTACHMENTS:

Amendment No. 1 to Professional Services Agreement

Professional Services Agreement between Cities Association and Vaishali Sirkay

**AMENDMENT NO. 1 TO AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE
CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY**

This AGREEMENT is dated for identification January 1, 2026, by and between the CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY, ("CASCC JPA"), and the SIRQAY GROUP, a corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive portion of this AGREEMENT:

1. The CASCC JPA entered into an Agreement for Professional Services with Vaishali Sirkay to provide Executive Director services.
2. Ms. Sirkay recently formed the Sirkay Group and will continue to provide Executive Director Services through the Sirkay Group, a corporation pursuant to the Agreement for Professional Services.
3. The Parties wish to amend the Agreement for Professional Services to accurately reflect the parties to this agreement.

NOW, THEREFORE, the purpose of this AMENDMENT NO. 1 TO THE AGREEMENT FOR PROFESSIONAL SERVICES is to identify the parties to this contract and update the notice provision.

THE PARTIES HEREBY AGREE TO AMEND THE AGREEMENT AS FOLLOWS:

SECTION 1. THE PARTIES:

For purposes of this Agreement, CONSULTANT shall mean Sirkay Group. It is understood by the Parties that Vaishali Sirkay will provide Executive Director Services to the CASCC JPA pursuant to the terms of the Agreement and the Amendment. CONSULTANT shall report to and be supervised by the President of the CASCC JPA.

SECTION 2:

SECTION 17 of this Agreement is hereby amended to read as follows:

NOTICES.

All notices, invoices, bills, and other communications required to be given under this AGREEMENT shall be in writing and shall be emailed, addressed to the respective parties as follows:

To the CASSC JPA:

Tina Walia
President of Cities CASSC JPA of
Santa Clara County
PO Box 314
(408) 766-9534
twalia@saratoga.ca.gov

Copy to:

Jannie L. Quinn
General Co-Counsel
Renne Public Law Group
350 Sansome Street, Suite 300
San Francisco, CA 94104
(415) 848-7200
jquinn@publiclawgroup.com

To the CONSULTANT:

Vaishali Sirkay
Sirkay Group
Address: 644 Jay St, Los Altos, CA 94022
Phone: (408) 455 4154
shalisirkay@gmail.com

Or to another email address as any party may designate by notice.

IN WITNESS THEREOF, these parties have executed this AGREEMENT to be effective retroactive to January 1, 2026.

APPROVED AS TO FORM:

By: _____
Jannie L. Quinn
General Co-Counsel
CASSC JPA

CITIES ASSOCIATION OF SANTA CLARA COUNTY
JOINT POWERS AGENCY
“CASCC JPA”

By:_____

Tina Walia, President

`Date:

Sirkay Group

“CONSULTANT”

By:_____

Vaishali Sirkay

`Date:

**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE CITIES ASSOCIATION OF SANTA
CLARA COUNTY JOINT POWERS AGENCY AND
VAISHALI SIRKAY**

This AGREEMENT is dated for identification April 11, 2025, by and between the CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY, (“CASCC JPA”), and VAISHALI SIRKAY, an individual (“CONSULTANT”).

RECITALS

The following recitals are a substantive portion of this AGREEMENT:

1. The CASCC JPA is a joint powers agency governed by the Joint Exercise of Powers Act and comprised of cities in Santa Clara County, California. Its functions include dealing with issues of common interest to all cities, and monitoring legislation and lobbying; and
2. The CASCC JPA desires to continue to retain a consultant to provide Executive Director services and CONSULTANT has the necessary professional expertise and skill to perform these services.; and

NOW, THEREFORE, the purpose of this AGREEMENT is to retain CONSULTANT for the CASCC JPA to perform those services specified herein.

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. SCOPE OF SERVICES.

The CONSULTANT shall perform those services specified in detail in Exhibit A, entitled “SCOPE OF SERVICES,” which is attached hereto and incorporated herein. CONSULTANT shall report to and be supervised by the President of the CASCC JPA.

SECTION 2. TERM OF AGREEMENT.

The term of this AGREEMENT shall be from July 1, 2025, to June 30, 2026, subject to the provisions of Section 9 of this AGREEMENT.

SECTION 3. COMPENSATION.

The maximum compensation to be paid to CONSULTANT, including both payment for professional services and reimbursable expenses, if any, shall not exceed One Hundred and Thirty Thousand Dollars (\$130,000.00). The rate and schedule of payment is set out in EXHIBIT C, entitled “COMPENSATION.” which is attached hereto and incorporated herein.

SECTION 4. METHOD OF PAYMENT.

Each month, CONSULTANT shall furnish to CASCC JPA a brief statement of the work performed for compensation during the preceding month, indicating the hours worked.

SECTION 5. INDEPENDENT CONTRACTOR.

The parties agree that the CONSULTANT, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the CASCC JPA. To the extent that the AGREEMENT permits CONSULTANT to delegate duties, CONSULTANT shall be solely responsible for the performance of its employees, agents, or subcontractors under this AGREEMENT. As an independent contractor, the CONSULTANT shall obtain no rights or retirement benefits or any other benefits that may accrue to the CASCC JPA's employees. CONSULTANT hereby expressly waives any claim it may have to any such rights. It is anticipated that CONSULTANT will be providing consultant services to other entities during the term of this Agreement. Such other work is acceptable to CASCC JPA unless the other work creates a conflict of interest with the performance of their duties under this Agreement. Employee shall not use CASCC JPA materials, equipment, facilities, personnel, or other resources in conjunction with any other work not undertaken for the CASCC JPA.

SECTION 6. LIMITATIONS UPON SUBCONTRACTING AND ASSIGNMENT.

Neither this AGREEMENT nor any portion shall be assigned or subcontracted by CONSULTANT without the prior written consent of CASCC JPA. Any attempted assignment or subcontract not first approved by CASCC JPA shall be void and, at CASCC JPA's option, shall terminate this AGREEMENT effective as of the date of such attempted assignment.

SECTION 7. INDEMNIFICATION.

CONSULTANT agrees to protect, and hold harmless CASCC JPA and its elective or appointive boards, officers, agents, independent contractors and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with the performance of the AGREEMENT by CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors, or independent contractors hired by CONSULTANT to perform their duties. The only exception to CONSULTANT'S responsibility to protect, defend, and hold harmless CASCC JPA is due to the sole negligence of CASCC JPA or its employees or contractors. This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

This Section shall constitute an agreement or contract of indemnity, incorporating the

interpretations under California Civil Code Section 2778. It is expressly understood and agreed that the CONSULTANT's obligation to indemnify CASCC JPA shall be as broad and inclusive as permitted by the laws of the State of California and shall survive termination of this AGREEMENT.

SECTION 8. NONDISCRIMINATION.

CONSULTANT shall not discriminate against or grant preferential treatment to any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, or national origin, in connection with or related to the performance of this AGREEMENT.

SECTION 9. TERMINATION.

- 9.1. The CASCC JPA may terminate this AGREEMENT at any time without cause upon ten days written notice to CONSULTANT. CONSULTANT may terminate this AGREEMENT at any time without cause upon 30 days written notice to CASCC JPA.
- 9.2. If CONSULTANT fails to perform any of its material obligations under this AGREEMENT, in addition to all other remedies provided by law, CASCC JPA may terminate this AGREEMENT immediately upon written notice.
- 9.3. CASCC JPA's President is empowered to terminate this AGREEMENT on behalf of CASCC JPA.
- 9.4. In the event of termination, CONSULTANT shall deliver to CASCC JPA copies of all reports, documents, and other work performed by CONSULTANT under this AGREEMENT, and upon receipt thereof, CASCC JPA shall pay CONSULTANT for services performed and reimbursable expenses incurred to the date of termination.
- 9.5. In accordance with Article XVI, Section 18 of the California Constitution, if in any fiscal year after the execution of this AGREEMENT the CASCC JPA fails to appropriate money for the purpose of funding this AGREEMENT, this AGREEMENT shall terminate, without penalty, effective upon the close of business on the last day of the fiscal year for which funding has been appropriated.

SECTION 10. GOVERNING LAW.

The CASCC JPA and CONSULTANT agree that the law governing this AGREEMENT shall be that of the State of California, and venue shall be with the Santa Clara County Superior Court.

SECTION 11. COMPLIANCE WITH LAWS.

- 11.1. CONSULTANT shall comply *with* all applicable laws, ordinances, administrative regulations, and permitting requirements in conducting their obligations under this AGREEMENT.
- 11.2. Compliance with Wage and Hour Laws: Consultant, and any subcontractor it employs to complete work under this AGREEMENT, shall comply with all applicable [federal, state, and local wage and hour laws. Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act and the California Labor Code.
- 11.3. Final Judgments, Decisions, and Orders: For purposes of this Section, a “final judgment, decision, or order” refers to one for which all appeals have been exhausted or the time to appeal has expired. Relevant investigatory government agencies include: the federal Department of Labor, the California Division of Labor Standards Enforcement, or any other governmental entity or division tasked with the investigation and enforcement of wage and hour laws.
- 11.4. Prior Judgments against CONSULTANT: BY SIGNING THIS AGREEMENT, CONSULTANT AFFIRMS THAT IT HAS DISCLOSED ANY FINAL JUDGMENTS, DECISIONS OR ORDERS FROM A COURT OR INVESTIGATORY GOVERNMENT AGENCY FINDING IN THE FIVE (5) YEARS PRIOR TO EXECUTING THIS AGREEMENT THAT CONSULTANT OR ITS SUBCONTRACTOR(S) HAS VIOLATED ANY APPLICABLE WAGE AND HOUR LAWS. CONSULTANT FURTHER AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) HAS SATISFIED AND COMPLIED WITH OR HAS REACHED AGREEMENT WITH THE CITY REGARDING THE MANNER IN WHICH IT WILL SATISFY ANY SUCH JUDGMENTS, DECISIONS OR ORDERS.
- 11.5. Judgments or Decisions During Term of Contract: If at any time during the term of this AGREEMENT, a court or investigatory government agency issues a final judgment, decision or order finding that CONSULTANT or a subcontractor it employs to perform work under this AGREEMENT has violated any applicable wage and hour law, or CONSULTANT learns of such a judgment, decision, or order that was not previously disclosed, CONSULTANT shall inform the General Counsel, no more than fifteen (15) days after the judgment, decision or order becomes final or of teaming of the final judgment, decision or order. CONSULTANT and its subcontractors shall promptly satisfy and comply with any such judgment, decision, or order, and shall provide the General Counsel with documentary evidence of compliance with the final judgment, decision, or order within five (5) days of satisfying the final judgment, decision, or order. The CASC JPA reserves the right to require CONSULTANT to enter into an agreement with CASC JPA regarding the manner in which any such final judgment, decision, or order will be satisfied.

- 11.6. CASCC JPA's Right to Withhold Payment: Where CONSULTANT or any subcontractor it employs to perform work under this AGREEMENT has been found in violation of any applicable wage and hour law by a final judgment, decision or order of a court or government agency, CASCC JPA reserves the right to withhold payment to CONSULTANT under such judgment, decision or order has been satisfied in full.
- 11.7. Material Breach: Failure to comply with any part of this Section constitutes a material breach of this AGREEMENT. Such breach may serve as a basis for immediate termination of this AGREEMENT and/or any other remedies available under this AGREEMENT and/or law.
- 11.8. Notice to City Related to Wage Theft Prevention: Notice provided to the General Counsel as required under this Section shall be addressed to: Jannie L. Quinn or Andrew Shen, General Co-Counsel, Cities CASCC JPA, Renne Public Law Group, 350 Sansome Street, Suite 300, San Francisco, CA 94104. The Notice provisions of this Section are separate from any other notice provisions in this AGREEMENT and, accordingly, only notice provided to the above address satisfies the notice requirements in this Section.

SECTION 12. CONFIDENTIAL INFORMATION.

All data, documents, discussions, or other information developed or received by or for the CONSULTANT in performance of this AGREEMENT are confidential and may not be disclosed to any person except as specifically authorized by the CASCC JPA or as required by law or for the performance of the services.

SECTION 13. OWNERSHIP OF MATERIALS.

All reports, documents, electronic equivalents, or other materials developed or discovered by the CONSULTANT in connection with the performance of the services hereunder shall be and remain the property of the CASCC JPA without restriction or Limitation upon their use.

SECTION 14. WAIVER.

The CONSULTANT agrees that waiver by the CASCC JPA of any breach or violation of any term or condition of this AGREEMENT shall not be deemed to be a waiver of any other term or condition or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by the CASCC JPA of the performance of any work or services by the CONSULTANT shall not be deemed to be a waiver of any term or condition of this AGREEMENT.

SECTION 15. THE CONSULTANT'S BOOKS AND RECORDS.

The CONSULTANT shall maintain all documents and records which demonstrate

Consultant Agreement
FY 2025-26
(Executive Director)

performance under this AGREEMENT for a period of three (3) years, from the date of termination or completion of this AGREEMENT. All records that are maintained by the CASCC JPA do not need to be maintained by CONSULTANT. Any records or documents required to be maintained pursuant to this AGREEMENT shall be made available to CASCC JPA for inspection or audit at no cost to the CASCC JPA, at any time during regular business hours, upon written request by the President, the CASCC JPA's Treasurer or the CASCC JPA's Auditor or a designated representative of any of these. Copies of documents shall be provided to the CASCC JPA for inspection at the CASCC JPA's address indicated for receipt of notices unless CASCC JPA designates an alternative location.

SECTION 16. CONFLICT OF INTEREST.

CONSULTANT shall avoid all conflicts of interest and the appearance of conflicts of interest during the performance of this AGREEMENT.

SECTION 17. NOTICES.

All notices, invoices, bills, and other communications required to be given under this AGREEMENT shall be in writing and shall be emailed, addressed to the respective parties as follows:

To the CASCC JPA: Larry Klein
Mayor, City of Sunnyvale
President of Cities CASCC JPA of
Santa Clara County
PO Box 3144
Los Altos, CA 94024
(408) 766-9534
kleincouncil@sunnyvale.ca.gov

Copy to:

Jannie L. Quinn
General Co-Counsel
Renne Public Law Group
350 Sansome Street, Suite 300
San Francisco, CA 94104
(415) 848-7200
jquinn@publiclawgroup.com

To the CONSULTANT: Vaishali Sirkay
Address: 644 Jay St
Los Altos, CA 94022
Phone: (408) 455-4154
shalisirkay@gmail.com

Or to another email address as any party may designate by notice.

SECTION 18. INSURANCE.

CONSULTANT, and to the extent permitted by CASCC JPA, any subcontractor shall maintain all required insurance as described in attached Insurance Exhibit C.

SECTION 19. NON-LIABILITY OF OFFICIALS, CONTRACTORS, OR EMPLOYEES OF CASCC JPA

No official, contractor, or employee of the CASCC JPA shall be personally liable for any default or liability under this AGREEMENT.

SECTION 20. TIME IS OF THE ESSENCE

Time is of the essence in the performance of this AGREEMENT.

SECTION 21. CASCC JPA TO EXECUTE.

The persons executing this AGREEMENT on behalf of the parties warrant that they are duly authorized to execute this AGREEMENT.

SECTION 22. QUALIFICATIONS/STANDARD OF CARE.

All of the services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that he or she possess the professional and technical skills necessary to perform The professional services required by This AGREEMENT and That he or she has sufficient skill and experience to perform ttle services assigned to him or her. CONSULTANT represents that it, its employees and subconsultants, if permitted, have, and shall maintain during the term of this AGREEMENT all licenses, permits, qualifications, insurance, and approvals of whatever nature that are legally required to perform the services. All the services to be furnished by CONSULTANT under this AGREEMENT shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 23. PRIOR AGREEMENTS AND AMENDMENTS.

This AGREEMENT, including Exhibits A - C, represents the entire understanding of the parties as to those matters. No prior oral or written understanding shall be of any force or effect with respect to those matters. This AGREEMENT may only be modified by a written agreement signed by both parties.

///

///

IN WITNESS THEREOF, these parties have executed this AGREEMENT on the day and year shown above.

APPROVED AS TO FORM:

CITIES ASSOCIATION OF SANTA
CLARA COUNTY JOINT POWERS
AGENCY

“CASCC JPA”

By: _____
Jannie L. Quinn
General Co-Counsel
CASCC JPA

By: _____
Larry Klein, President

Date:

VAISHALI “SHALI” SIRK.AY
“CONSULTANT”

By: _____
Vaishali “Shali” Sirkay

Date: _____

Exhibits:

Exhibit A Scope of Services

Exhibit B Compensation

Exhibit C Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

EXECUTIVE DIRECTOR

The CONSULTANT shall provide to the CASC JPA the services necessary to:

SECTION 1. GENERAL.

- A. The performance of all services by the CONSULTANT shall be to the satisfaction of the CASC JPA.
- B. The CONSULTANT shall coordinate all services with the CASC JPA President, Executive Committee and Board of Directors, as necessary.

SECTION 2. BASIC SERVICES.

As directed by President, Executive Committee and Board of Directors, CONSULTANT shall provide professional services, including, but not limited to:

- 2.1 Attend monthly meetings of the Cities CASC JPA and prepare agendas and minutes for meetings.
- 2.2 Attend all Executive Committee meetings and prepare agendas and minutes for meetings.
- 2.3 Prepare all correspondence on behalf of the CASC JPA
- 2.4 Conduct legislative analysis and research as requested.
- 2.5 Prepare the annual budget and monthly financial reports and perform other administrative functions or duties as directed. Pay all bills in a timely manner. Send out bills to Members and Associate Members in a timely fashion.
- 2.6 Represent the CASC JPA at various political and legislative functions as required, such as Peninsula Division and other League of California meetings.
- 2.7 Perform such other duties as may be required for the good of the CASC JPA as directed by the President, Executive Committee or Board of Directors.
- 2.8 To the extent required, in conjunction with the President, plan and manage general membership meetings and events.
- 2.9 Attend and liaison with the Santa Clara City Managers Association.

- 2.10 Provide additional technical services as requested by the President, Executive Committee or Board of Directors.

EXHIBIT B
COMPENSATION

All services shall be compensated on an hourly basis at the rate of One Hundred and Two Dollars (\$102.00) per hour. Reimbursable expenses shall be limited to those expense which are required for the CASC JPA's ongoing operations.

The maximum amount of compensation to be paid to CONSULTANT under this AGREEMENT, including both payment for professional services and any expenses incurred shall not exceed One Hundred and Thirty Thousand Dollars (\$130,000.00). Any hours worked for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to CASC JPA.

EXHIBIT C

INSURANCE REQUIREMENTS

CONSULTANT, at CONSULTANT's sole cost and expense for the full term of this contract or any renewal, must obtain and maintain at least all the following minimum insurance requirements prior to commencing any work or receiving payments therefore under this AGREEMENT. All policies shall be written in accordance with the laws of the State of California and providing coverage for any employees of CONSULTANT. All insurance required by this AGREEMENT shall be carried only by responsible insurance companies licensed to do business in California. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VU.

A. Automobile Policy

Automobile liability. CONSULTANT shall maintain insurance covering all owned, non- owned and hired automobiles against claims and liabilities for personal injury, death, or property damage, providing protection of at least \$300,000 combined single limit.

B. Comprehensive General Liability Policy

Section B shall not apply unless this Agreement is for is for a not to exceed sum of \$51,000 per year or more. Should the not to exceed amount of this Agreement exceed \$51,000 than CONSULTANT shall maintain commercial general liability as follows:

CONSULTANT shall maintain insurance against claims and Liabilities for personal Injury, death, or property damage, providing protection of at least \$1,000,000 combined single limit. Further, CONSULTANT shall provide proof of the following separate endorsements:

- a. The CASC JPA, its elected officials, officers, employees, agents, and contractors are to be covered as additional insureds;,,
- b. CONSULTANT'S insurance coverage shall be insurance shall be primary non- contributing; and.
- c. The insurer waives the right of subrogation against CASC JPA and CASC JPA'S elected officials, officers, employees, agents, and representatives; and,
- d. Any failure to comply with reporting provisions of the policies by CONSULTANT shall not affect coverage provided CASC JPA, its officers, employees, agents, or contractors.

C. Workers' Compensation and Employers' Liability Policy

- a. This policy shall provide coverage for Workers' Compensation (Coverage A).
- b. This policy shall also provide coverage for \$1,000,000 Employers' Liability (Coverage B).

If, however, the CONSULTANT does not have any employees and does not wish to cover himself/herself for WORKERS' COMPENSATION, the CONSULTANT must sign the following statement in order to execute the AGREEMENT.

I, as CONSULTANT, do not have, nor intend to have for the full term of this AGREEMENT, any employees. Furthermore, I do not wish to obtain or be covered under any WORKERS' COMPENSATION insurance coverage and, therefore, am signing this statement in lieu of providing the above required Workers' Compensation and Employers' Liability Policy.

Signature:

Vaishali Sirkay



2026 Board Member Orientation

Welcome to the CASC Board of Directors (BOD)!

The CASC was formed in 1990 to provide a collective voice for our county at the local, regional and state level, as well as facilitating collaboration amongst our member cities on issues of common interest.

All 15 cities are eligible to be members of CASC.

We are a Joint Powers Agency.



A few successes to date:

- **Silicon Valley Clean Energy (SVCE)** created through a collaboration between member cities
- The single-use plastic bag ban ordinances passed by all 15 cities originated in the CASC
- The Healthy Cities Dashboard came from a collaboration between the SCC Dept. of Public Health and CASC
- The **Planning Collaborative** has provided invaluable technical assistance to all our cities for their Housing Elements and HCD response letters
- During the COVID-19 pandemic, the work of the CASC resulted in a stronger partnership with our County. In recognition of its solid work, the CASC was awarded the President's Medal for Exemplary Service during the COVID-19 Pandemic by the SCC Board of Supervisors

General Information

- *One City One Vote* model
- Governed by Board of Directors
- Executive Committee
- Legislative Action Committee
- City Selection Committee
- All of the above are Brown Act bodies
 - *Virtual attendance- SB 707 and Brown Act rules apply*
- Board President's city/town serves as host city for the calendar year
- Meetings are held monthly and as needed
 - *To assure quorum, please let us know if you or your alternate cannot attend the meeting*

We are a Joint Powers Agency

- We have insurance through the Special District Risk Management Authority (SDRMA)
- Greater protection from liability for member agencies, since the JPA is a separate legal entity
- Clarification of our legal status
- Enhanced ability to apply for regional and statewide grants
- The JPA is not authorized to hire employees, acquire property or impose taxes
 - *Professional services are provided by independent contractors*
- The JPA may not become a member of CalPERS
- The JPA will continue to administer the City Selection Committee

Form 700 Compliance & Anti-Harassment Policy

- All Board members and alternates are required to fill out Form 700 for their participation on the Board
 - *Executive Director will enter your information into the County's system*
 - *You can fill out/submit your Form 700 electronically!*
 - *Your jurisdiction will be the entire county*
- The Board adopted an anti-harassment policy in Oct 2024
 - *The anti-harassment policy will be emailed to all Board members and alternates*

Board of Directors (BOD)

Composition:

*One primary
representative & one
alternate chosen by
each member
jurisdiction*

- Governing body of the CASC
 - *Establishes 4-5 priority areas to focus CASC's work for that calendar year*
 - *Approves budget, programs/projects, contracts, etc.*
- **Board members serve as liaisons between CASC and their jurisdictions**
- City Manager from Board President's jurisdiction is a liaison between SCC City Managers Association and CASC
- CASC Executive Director provides staff support
- 9 board meetings per calendar year
 - *Meets the 2nd Thursday of the month at 7:00 PM*
 - *Meetings are live-streamed and recorded*

Executive Committee (EC)

Composition:

*Members are elected
by the Board of
Directors*

- EC Officers for 2026:
 - President: Tina Walia*
 - First Vice President: J.R. Fruen*
 - Second Vice President and LAC
Chair: Elliot Scozzola*
 - Secretary/Treasurer: Rosemary
Kamei*
 - Immediate Past President or
Member-at-Large: Larry Klein (IPP)*
- Approves agendas for BOD, LAC, and
CSC meetings
- Does not have authority to approve
new programs/projects
 - Can make recommendations
to the BOD

Legislative Action Committee (LAC)

Composition:

*One primary
representative & one
alternate chosen by
each member
jurisdiction*

- Chaired by the Second Vice President
- Convening body for member jurisdictions to discuss and take positions on legislative bills, and local and state measures
- Guest speakers and presentations allow for robust conversation and learning
- LAC Chair communicates the recommended position to the full BOD and includes the minority position(s) or any concerns expressed during the discussion at the LAC meeting
- BOD makes the final decision on CASC's position on a particular Bill/Measure

City Selection Committee (CSC)

Composition:

*Gov't Code requires
that regional
appointments be
made by a selection
committee comprised
of mayors or their
designees*

- Appoints councilmembers to various regional bodies, boards and commissions
 - *In total, approximately 33 overall appointments with varying term limits*
- Established by Government Code Section 50270 et seq
- Chaired by member of CSC
- CASC provides administrative support to CSC
- Clerk of the Board of Supervisors serves as secretary
- Generally two meetings per calendar year
- **Do not need to be a member** jurisdiction of CASC to serve on this committee or apply for appointments

CASCC Events

- Generally two main events per calendar year in lieu of BOD meeting that month
 - *June Membership Event*
 - *December Holiday Party*
 - Celebrate CASCC's work over the course of the year
 - Present CASCC Champion of the Year Award to one community leader/organization and one elected official
- Symposia, forums and workshops
 - *CASCC may organize symposia, forums or workshops to delve deeper into priority areas.*
 - *Organized on an as-needed basis as appropriate*

Staffing

The Executive Director and Legal Counsel are not employees. They are independent contractors.

Contact Information

Shali Sirkay, Executive Director

shali@citiesassociation.org

P.O. Box 3144

Los Altos, CA 94024

Questions?



Board Priority Areas 2022-25

2022

1. Local Control
2. Racial Justice
3. Board Member Development
4. Climate Protection

2023

1. Gun Safety
2. Mental Health
3. Sustainability & Resiliency/Climate Control
4. Housing

2024

1. Public Safety
2. Mental Health
3. Sustainability & Resiliency
4. Housing & Homelessness
5. Older Adults

2025

1. Public Safety & Disaster Preparedness
2. Older Adults
3. Council Governance
4. Homelessness & Housing
5. Mental Health
6. Childcare
7. Federal Response



2026 Meeting Calendar of the CASCC Joint Powers Agency

Executive Committee	Board of Directors	Legislative Action Committee	City Selection Committee
January 8	January 22	January 22	January 22
	February 12	February 12	
February 26	March 12	March 12	
March 26	April 9	April 9	
April 23	May 14	May 14	May 14
May 28	June 11 (Membership Event)	June – no meeting	
	July – no meeting	July – no meeting	
July 30	August 13	August 13	
August 27	September 10	September 10	
September 24	October 8	October 8	
October 22	November 12	November 12	
November 26 (tentative)	December – no meeting	December – no meeting	

Reading horizontally, Executive Committee meeting dates correspond to the Board, Legislative Action Committee and City Selection Committee meeting dates for which the agendas are being reviewed

The **Executive Committee** typically meets on the fourth Thursday of the month at 4:30 PM

The **Board of Directors** typically meets on the second Thursday of the month at 7:00 PM

The **Legislative Action Committee** typically meets on the second Thursday of the month at 5:30 PM, and as needed based on the state legislative cycle

The **City Selection Committee** meets at least once per calendar year, and as needed, typically on the second Thursday of the month at a time that precedes the Board of Directors meeting

CASCC Annual Holiday Party is scheduled on Sunday, December 13, 2026



Agenda Item No: 5b

Meeting Date: January 22, 2026

Cities Association of Santa Clara County Joint Powers Agency Agenda Report

To: BOARD OF DIRECTORS

**Prepared by: Jannie Quinn, General Counsel
Andrew Shen, General Counsel**

TOPIC: Budget Reserve and Investment Policy

SUBJECT: Consideration and Adoption of Budget Reserve and Investment Policy

RECOMMENDATION:

1. Consideration of Proposed Budget Reserve and Investment Policy
2. Approve a Resolution Adopting a Budget Reserve and Investment Policy

BACKGROUND:

A. Joint Powers Agreement and Bylaws

As set forth in the Joint Powers Agreement (“JPA”) governing the Cities Association, the touchstone for the organization’s policies are the policies adopted by the Town of Los Gatos (“Los Gatos”). Section 7.1 of the JPA states:

Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.

Otherwise, the JPA does not set forth any specific rules regarding budget reserves or an investment policy. Section 6.1.6 of the JPA generally authorizes the Cities Association to invest any money not required for immediate necessities.

Likewise, the Bylaws do not address the specifics of either issue.

B. Los Gatos' Policies

Los Gatos has adopted separate budget reserve and investment policies. Copies of these policies are attached for reference.

Los Gatos' General Fund Reserve Policy was established to:

- Reduce the financial impacts associated with a disaster or catastrophic event;
- Respond to the challenges of a changing environment, including prolonged downturns in the local, state, or national economy; and
- Demonstrate continued prudent fiscal management and creditworthiness.

The town's policy also sets aside funds into four reserves:

- Catastrophic reserve (to mitigate costs associated unforeseen emergencies, such as a disaster or catastrophic event)
- Budget stabilization reserve (to mitigate annual revenue shortfalls, due to changes in the economy or one-time uses)
- Pension/OPEB reserve
- Almond Grove Street Project reserve (to fund the town's Almond Grove Street Rehabilitation Project)

Los Gatos' Investment Policy was established to address the following objectives, in order of priority:

- Preservation of capital and protection of investment principal.
- Maintenance of sufficient liquidity to meet anticipated cash flows.
- Attainment of a market value rate of return.
- Diversification to avoid incurring unreasonable market risks.

Management responsibilities for the Town's investment program are delegated from the Town Manager to the Town Treasurer/Finance Director. The Town may also engage outside investment advisors to assist. Under this Policy, the Town may invest in a range of securities and transactions, including United States Treasury bills, commercial paper, municipal bonds, certificates of deposit, the State's Local Agency Investment Fund (LAIF), and money-market funds.

C. Previous Board Direction

At its September 11, 2025, meeting, the Board reviewed the budget and expenditures for the past fiscal year and considered how to handle funds that were budgeted but not spent. The Board voted to

deposit 50% of this surplus into the Cities Association's existing LAIF Fund and to keep 50% in the Cities Association's current bank account. In addition, the Board requested information regarding the bank accounts of the Cities Association as part of the consideration of a reserve and investment policy. This information was provided during the quarterly budget report.

D. Revenues and Risks

In establishing formal policies regarding budget reserves and investments of surplus funds, it may be helpful to consider the Cities Association's overall financial structure and risk profile.

The Cities Association's revenue is derived entirely from its member dues, collected at the outset of each fiscal year. These dues are stable sources of revenues, inherently unlike sales taxes or user fees. It is perhaps even more stable than relying on federal or State funding and grants. They are also very predictable since the Cities Association Board establishes the dues to be collected each year, so that the Cities Association is immediately aware of the funds available. While remote, the only risk from relying on membership dues is the possibility that the organization's membership itself changes – thus potentially removing membership dues. Currently, membership dues range between \$6,523 and \$55,231.

The Cities Association also faces little risk in terms of unexpected costs or liabilities. The Cities Association is a streamlined organization that only utilizes independent contractors for its operations, who invoice on a monthly basis. As the Board is aware, a significant motivation to establishing the Cities Association as a Joint Powers Agency was to allow for access to insurance typically available to special districts. The Cities Association currently receives its insurance through the Special District Risk Management Authority (SDRMA). This SDRMA policy provides for \$2.5 million in coverage with low deductibles of \$500 (for general liability) or \$1,000 (for automobile liability), so there is low likelihood of any significant payouts for liability reasons.

E. California Government Code, Section 53600, et seq. - Prudent Investor Standard

The Government Code generally provides that governing bodies of local agencies, such as the Cities Association, are trustees and therefore fiduciaries subject to the prudent investor standard:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

(Gov't. Code § 53600.3.)

Further, when investing or managing public funds, the trustee shall:

- 1) to safeguard the principal of the funds under its control;
- 2) to meet the liquidity needs of the depositor; and
- 3) to achieve a return on the funds under its control.

(Gov't. Code § 53600.5.)

SUMMARY OF PROPOSED BUDGET RESERVE AND INVESTMENT POLICY:

The proposed Budget Reserve and Investment Policy echoes Los Gatos' policies, but with a narrower focus given the Cities Association's duties and operations. For example, the Cities Association has no need for a Pension/OPEB reserve since it does not – and cannot – hire any employees. Similarly, the Cities Association has no Capital Improvement Program or budget.

But with respect to Budget reserve targets, we look to the Board for more definitive guidance regarding how much it should maintain in reserves. We suggest the appropriate metric for reserve targets be stated in terms of number of months of operating expenses – for example, two, three, or six months – rather than a precise dollar figure. The Cities Association is a new organization, so this flexible metric may be more appropriate. Current monthly expenditures average \$17,000. Direction is sought from the Board regarding the reserve target. It is recommended the Cities Association budget for three months' worth of expenditures as a reserve, or approximately \$51,000. This amount roughly guards against the remote possibility that a member city that pays a relatively high amount of annual dues would withdraw from the Cities Association, or that there is an otherwise sudden and unexpected need for additional spending.

Regarding investments, given the Cities Association's streamlined operations, the day-to-day handling of investments should be outsourced to responsible parties, as much as possible. The California State Treasurer's LAIF program is a suitable alternative, given that it generates return (interest), is designed for use by local government agencies, and provides access to those funds as needed. A Frequently Asked Questions (FAQ) document regarding LAIF accounts is attached for reference.

It is recommended that other than two months' (approximately \$34,000) worth of operating expenses, that all other Cities Association funds be deposited into its existing LAIF account. While LAIF does not provide an exceptionally high return, it is stable and requires no day-to-day oversight. Cities Association funds held in LAIF are also readily available in the event that funds are needed on a more than routine basis.

CONCLUSION:

The proposed Budget Reserve and Investment Policy is submitted for the Board's consideration, direction, and approval.

FISCAL IMPACT:

None.

OPTIONS:

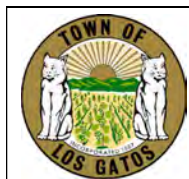
The Board of Directors has the following options:

1. Review and approve the proposed Budget Reserve and Investment Policy through the attached Resolution.
2. Direct General Counsel to make additional edits to the Budget Reserve and Investment Policy and return to the Board at a future meeting.

ATTACHMENTS:

1. Town of Los Gatos, General Fund Reserve Policy
2. Town of Los Gatos, Investment Policy
3. California State Treasurer, Local Agency Investment Fund, Frequently Asked Questions (FAQ)
4. Proposed Resolution Adopting Budget Reserve and Investment Policy

GENERAL FUND RESERVE POLICY



TOWN OF
LOS GATOS
CALIFORNIA

COUNCIL POLICY MANUAL

Small Town Service Community Stewardship Future Focus

TITLE: General Fund Reserve Policy

POLICY NUMBER: 4-03

EFFECTIVE DATE: 05/16/2011

PAGES: 6

ENABLING ACTIONS:

REVISED DATES: 02/21/2017; 05/15/2018;
06/04/2019; 09/21/2021

APPROVED:

PURPOSE

The purpose of this Policy is to establish a target minimum level of designated reserves in the General Fund to:

- Reduce the financial impacts associated with a disaster or catastrophic event;
- Respond to the challenges of a changing economic environment, including prolonged downturns in the local, state, or national economy; and
- Demonstrate continued prudent fiscal management and creditworthiness.

BACKGROUND

The Town of Los Gatos has always maintained a high level of General Fund reserves, which has contributed to superior ratings by credit rating agencies; provided financial flexibility in economic downturns; contributed a source of investment income for General Fund operations; and assured financial coverage in the event of future emergencies.

GUIDING PRINCIPLES

Following sound financial practices and adhering to the Government Finance Officers of America (GFOA) recommendations, the Town's designated reserves include reserves for known and unknown contingencies, which take into consideration the:

- Diversity of revenue base
- Volatility of revenue structure

GENERAL FUND RESERVE POLICY

- Changes in political environment
- Frequency of operating surpluses/deficits
- Cash flow management practices

The General Fund Reserve Policy is to be reviewed by the Town Council as part of the annual operating budget review and adoption process.

POLICY

The fund balance is the difference between the assets and liabilities reported in a governmental fund. Under current accounting standards, there are five separate components of fund balance, each of which identifies the extent to which the Town is bound to honor constraints on the specific purposes for which amounts can be spent.

The following components are defined by Governmental Accounting Standards Board (GASB) Statement No. 54 and shall constitute the Town's Fund Balance:

- *Nonspendable Fund Balance* (inherently nonspendable)
- *Restricted Fund Balance* (externally enforceable limitations on use)
- *Committed Fund Balance* (self-imposed limitations on use)
- *Assigned Fund Balance* (limitation resulting from intended use)
- *Unassigned Fund Balance* (residual net resources)

The first two components listed above are not specifically addressed in this Policy due to the nature of their restrictions. The example of non-spendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This Policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

The accounting policies of the Town consider restricted fund balance spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts of the unrestricted classifications of fund balance could be used, the Town considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

Committed Fund Balance

The Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal action taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose,

GENERAL FUND RESERVE POLICY

unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. The Town Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently at the final close of the fiscal year.

The Town currently sets aside funds into four committed reserves to address unforeseen emergencies or disasters, significant changes in the economic environment, unfunded pension and Other Post-Employment Benefits (OPEB) obligations, and key infrastructure and capital projects. These include the Catastrophic Reserve, Budget Stabilization Reserve, Pension (OPEB) Reserve and Almond Grove Street Projects Reserve.

Catastrophic Reserve

Funds reserved under this category shall be used to mitigate costs associated with unforeseen emergencies, such as a disaster or catastrophic event. Should unforeseen and unavoidable events occur that require the expenditure of Town resources beyond those provided for in the annual budget, the Town Manager or designee shall have authority to approve Catastrophic Reserve appropriations. The Town Manager or designee shall then present to the Town Council a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds.

The Town currently commits to maintaining this reserve at a minimum of 12.5% of General Fund ongoing operating expenditures (minus one-time expenditures).

Should a catastrophic disaster occur, the required reserve level should be adequate to meet the Town's immediate financial needs. For example, in the event of natural disaster, the Catastrophic Reserve would provide necessary coverage for basic operating expenses, including salary and benefits for safety and non-safety Town employees, while still meeting debt service obligations for approximately 60 days. This time frame would enable the Town to explore other available cash alternatives, including the use of internal service funds.

Budget Stabilization Reserve

Funds reserved under this category shall be used to mitigate annual revenue shortfalls (actual revenues less than projected revenues) due to changes in the economic environment and/or one-time uses that will result in future efficiencies and/or budgetary savings. Examples of "economic triggers" and one-time uses include, but are not limited to:

- An unplanned, major event such as a catastrophic disaster requiring expenditures which exceed the General Fund Catastrophic Reserve;
- Drop in projected/actual revenue of more than five percent in property or sales tax, or other economically sensitive revenues;
- Budgeted revenue taken over by another entity exceeding \$100,000;
- Loss of businesses considered to be significant sales tax generators;

GENERAL FUND RESERVE POLICY

- Reductions in projected/actual revenue of more than five percent due to actions by the state/federal government;
- Workflow/technical system improvements to reduce ongoing, personnel costs and enhance customer service;
- One-time maintenance of service levels due to significant economic/budget constraints; and
- One-time transitional costs associated with organizational restructuring to secure long-term personnel cost savings.

The Town currently commits to maintaining this reserve at a minimum of 12.5% of General Fund ongoing operating expenditures (minus one-time expenditures).

Should a loss of the Town's single highest source of sales tax revenue occur, the required reserve level should be adequate to meet the Town's immediate financial needs. For example, the reserve level in the Budget Stabilization Fund would provide for an approximate 3-year transition period, giving the Town adequate time to realign its operating costs with available resources, while minimizing service impacts.

Pension/OPEB Reserve

Funds reserved under this category shall be used to further mitigate costs associated with pension and OPEB unfunded obligations. These funds will be used as a funding source for potential additional discretionary payments to pay down unfunded pension and other post-employment obligations, or held in the reserve account to be used as a supplemental funding source for unanticipated increases to the annual pension and other post-employment costs resulting from future actuarial assumptions and investment market volatility.

This Policy requires the Town to set aside additional annual discretionary payments (ADPs) to reduce the effective amortization period of the Town's pension unfunded actuarial liabilities from approximately 30 years to 20 years. To facilitate the implementation of this Policy, staff shall update the estimated unfunded amortization schedules in conjunction with the Town's and CalPERS actuaries. This process will coincide with the annual proposed budget process to determine the additional annual discretionary payment levels required to maintain the goal of lowering the amortization period from a 30-year to a 20-year amortization period for all prior year actuarial bases through FY 18/19. The ADP is currently projected at \$390,000 for FY 2018/19 (subject to annual updates provided by CalPERS actuaries). Per Council direction ADPs will either be allocated directly to CalPERS, the Town's Pension IRS 115 Trust Fund, or the OPEB IRS 115 Trust Fund.

As part of the proposed budget for each forthcoming fiscal year, staff shall annually appropriate, to the extent possible, the amount of annual discretionary payments necessary to maintain the unfunded pension liability amortization shortening from 30 to 20 years.

GENERAL FUND RESERVE POLICY

In the event the annual amount required for additional discretionary payments is not available from operating revenues, the ADP shall be funded by a first lien on any one-time excess revenues above expenditures once other General Fund required reserve levels have been established at the appropriate levels as per the Town's General Fund Reserve Policy. If in any given year neither budgetary appropriations or a first lien on one-time excess revenues are sufficient to fund the annual ADP, that years ADP will be accrued to the following year until paid.

Additionally, effective upon the close of fiscal year 2015/16 and thereafter, if sufficient General Fund year-end savings are available and targeted reserve levels of 25% (12.5% for Catastrophic Reserve and 12.5% for Budget Stabilization Reserve) of the next fiscal year's operating budget and the funding the following year's proposed budget ADP have been met, upon final close of the fiscal year, a minimum of \$300,000 annually shall be deposited into the Pension/OPEB Reserve fund. In addition, Council can assign additional amount deposited to the Pension/OPEB Reserve with a formal Council action from available year end savings.

Almond Grove Street Project Reserve

Funds reserved under this category shall be used to reconstruct the 10 streets identified in the Almond Grove Street Rehabilitation Project specification.

The Council awarded the bid in April 2017 allowing for \$2.9 million savings within the project. The Council reappropriated the use of the savings through the FY 2017/18 budget process. The Almond Grove Reserve should be reduced by the identified \$2.9 million savings. The Almond Grove Street Reserve balance will be reduced at each fiscal year end by the funds expended on the Almond Grove Street Rehabilitation Project during the fiscal year.

Assigned Fund Balance

Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This Policy hereby delegates the authority to assign amounts to be used for specific purposes to the Town Manager for the purpose of reporting to assign amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Encumbrances – material s and services on purchase order and contracts which are unperformed.
- Reappropriations – appropriated by the Council for specific projects or programs that were not completed and not encumbered by year end.
- GASB 31 Adjustments – \$10,000 or higher unrealized investment gains that have been recorded in the financial statements in accordance with GASB 31.

GENERAL FUND RESERVE POLICY

Capital and Special Projects Reserve

Funds reserved under this category are designated for key infrastructure and capital/special projects as identified in the Town 5-year Capital Improvement Plan, as there is no ongoing funding source to support the Town's capital needs.

Unassigned Fund Balance

At the end of each fiscal year, the Finance Department reports on the audited year-end budgetary fiscal results. Should actual General Fund revenues exceed expenditures and encumbrances, a year-end operating surplus shall be reported. Any year-end surplus which results in the General Fund balance exceeding the level required by this Reserve Policy shall be available for allocation for the following, subject to Council approval:

- Offset projected future deficits
- Anticipated intergovernmental fiscal impacts
- One-time funding, non-recurring needs

Upon funding any of the above reserve levels pursuant to this General Fund Reserve Policy, any remaining surplus of fiscal year revenues above expenditures shall be placed in the Capital and Special Projects Reserve for appropriation within the Capital Improvement Program budget.

Replenishment of Unreserved Fund Balance

In keeping with the principles discussed in this Policy, when either fund is used, Town Council will develop a 1 to 5 year reserve replenishment plan to meet the minimum threshold of 25% of General Fund ongoing, operating expenditures, excluding one-time expenditures.

/S/ Robert Schultz, Town Attorney

INVESTMENT POLICY



TITLE: Investment Policy

POLICY NUMBER: 4-02

EFFECTIVE DATE: 11/1/16

PAGES: 10

ENABLING ACTIONS: 2016-063

REVISED DATES: 5/16/17; 5/15/2018;
9/3/2019; 11/03/2020, 1/17/2023,
2/21/2023, 3/18/2025

APPROVED:

PURPOSE

The Town of Los Gatos (the "Town"), incorporated in 1887, is located approximately 60 miles south of San Francisco, in the southwestern portion of Santa Clara County. The Town operates under the Council/Manager form of government. The Town Council is the legislative body for the Town. It has five members elected to serve staggered four year terms. The Town Manager is appointed by the Town Council.

The Town Council has adopted this Investment Policy in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the Town. All Town funds will be invested in accordance with this Investment Policy and with applicable sections of the California Government Code 53607 and 53646(b).

This Investment Policy was originally adopted by the Town Council of the Town of Los Gatos on November 1, 2016. Town Council adopted revisions replace any previous investment policy or investment procedures of the Town.

SCOPE

This Investment Policy applies to all of the Town's short-term operating funds. These funds are described in the Town's annual financial report and include, but are not limited to:

General Fund

Special Revenue Funds

Capital Project Funds

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Debt Service Funds
Enterprise Fund
Internal Service Funds
Fiduciary Funds

Specifically excluded from this Investment Policy are amounts which are held by a trustee or fiscal agent and pledged as payment or security for bonds or other indebtedness, obligations under a lease, or obligations under certificates of participation. Such funds are invested in accordance with statutory provisions, ordinance, resolution, or indenture governing the issuance of the obligations. In addition, this Investment Policy is not applicable to the Town's Deferred Compensation Plan. These investments are directed by each employee participant in accordance with the rules of the Deferred Compensation Plan.

POLICY

OBJECTIVES

The Town's funds shall be invested in accordance with all applicable Town policies and codes, State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

DELEGATION OF AUTHORITY

Management responsibility for the Town's investment program is delegated annually by the Town Manager to the Town Treasurer/Finance Director (the "Treasurer") pursuant to California Government Code Section 36510. The Treasurer may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. The Treasurer shall maintain a list of persons authorized to transact securities business for the Town. No person may engage in an investment transaction except as expressly provided under the terms of this Investment Policy.

The Treasurer shall develop written administrative procedures and internal controls, consistent with this Investment Policy, for the operation of the Town's investment program. Such procedures shall be designed to prevent losses arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees.

The Town may engage the support services of outside investment advisors in regard to its investment program, so long as it can be demonstrated that these services produce a net financial advantage or necessary financial protection of the Town's financial resources.

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PRUDENCE

The standard of prudence to be used for managing the Town's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The Town's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The Town recognizes that no investment is totally without risk and that the investment activities of the Town are a matter of public record. Accordingly, the Town recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the Town.

The Treasurer and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the Town Council and appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

Elected officials and Town employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Elected officials and Town employees shall disclose to the Town Council any business interests they have in financial institutions that conduct business with the Town and they shall subordinate their personal investment transactions to those of the Town. In addition, the Town Manager and the Treasurer shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203 and regulations of the Fair Political Practices Commission.

SOCIALLY RESPONSIBLE INVESTING

In addition to and subordinate to the objectives set forth above, investment of funds should be guided by the following socially responsible investment goals when investing in corporate securities and depository institutions. Investments shall be made in compliance with the

INVESTMENT POLICY

responsible investment goals to the extent that such investments achieve substantially equivalent safety, liquidity and yield compared to other investments permitted by state law.

(1) Environmental, Social Responsibility and Governance Concerns

Investments are encouraged in entities that support community well-being through safe and environmentally sound practices and fair labor practices. Investments are encouraged in entities that support equality of rights regardless of sex, race, age, disability or sexual orientation. All corporate securities within the portfolio will be monitored by an independent third-party who will provide the Town with an ESG (Environmental, Social Responsibility, and Governance) rating. The Town will prefer companies when appropriate that maintain a higher ESG rating as opposed to those companies that have a lower ESG Rating.

(2) Community Investments

Investments are encouraged in entities that promote community economic development, and investments are discouraged in entities that finance high-cost check-cashing and deferred deposit (payday-lending) businesses. Investments are encouraged in entities that have a demonstrated involvement in the development or rehabilitation of low-income affordable housing and have a demonstrated commitment to reducing predatory mortgage lending and increasing the responsible servicing of mortgage loans. Securities investments are encouraged in financial institutions that have a Community Reinvestment Act (CRA) rating of either Satisfactory or Outstanding, as well as financial institutions that are designated as a Community Development Financial Institution (CDFI) by the United States Treasury Department, or otherwise demonstrate commitment to community economic development.

AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the Town shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that pursuant to California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds. Any revisions or extensions of these code sections will be assumed to be part of this Investment Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Investment Policy and past Town investment practices, the Town may delay adherence to the new requirements when it is deemed in the best interest of the Town to do so. In such instances, after consultation with the Town's attorney, the Treasurer will present a recommended course of action to the Town Council for approval. All investment limits specified in the Policy are calculated at the time of investment.

The Town has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, or certificates with a final maturity not exceeding five years from the date of trade settlement.

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2. Federal Agency Obligations for which the faith and credit of the United States are pledged for the payment of principal and interest and which have a final maturity not exceeding five years from the date of trade settlement. There is no limit on the percentage of the portfolio that can be invested in this category, however, no more than 20% of the town's total portfolio shall be invested in the combination of Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) mortgage-backed securities.
 3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable securities, step-up securities, and mortgage-backed securities (including FNMA and FHLMC) with a final maturity not exceeding five years from the date of trade settlement. There is no limit on the percentage of the portfolio that can be invested in this category, however, no more than 20% of the town's total portfolio shall be invested in the combination of GNMA, FNMA, and FHLMC mortgage-backed securities.
 4. Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:
 - A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five hundred million dollars (\$500,000,000) and (3) Have debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
 - B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.
- Purchases of eligible commercial paper shall not exceed:
- 10% of the outstanding commercial paper of any single corporate issuer,
 - 5% of the Town's total portfolio in the commercial paper of any one issuer, and
 - 25% of the Town's total portfolio.
5. Eligible Bankers Acceptances with a maturity not exceeding 180 days from the date of trade settlement, issued by a state or national bank with combined capital and surplus of at least

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\$250 million, whose deposits are insured by the FDIC, and whose senior long-term debt is rated at least A or the equivalent by a NRSRO at the time of purchase. No more than 5% of the Town's total portfolio shall be invested in banker's acceptances of any one issuer, and the aggregate investment in banker's acceptances shall not exceed 30% of the Town's total portfolio.

6. Medium Term Notes (Corporate Notes) issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of trade settlement and rated at least "A" or the equivalent by a NRSRO at the time of the purchase. No more than 5% of the Town's total portfolio shall be invested in the medium-term notes of any one issuer and the aggregate investment in medium-term notes shall not exceed 30% of the Town's total portfolio.
7. Municipal & State Obligations:
 - A. Municipal bonds including registered notes or bonds of any of the 50 states, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 states.
 - B. In addition, bonds, notes, warrants, or other evidences of indebtedness of any local agency in California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, operated by the local agency, or by a department, board, agency, or authority of the local agency.

Municipal bonds must be rated at least "A" or the equivalent by a NRSRO with maturities not exceeding five years from the date of the trade settlement. No more than 5% of the Town's total portfolio shall be invested in "A" rated bonds or in the bonds of any one municipality. In addition, the aggregate investment in municipal bonds may not exceed 30% of the total portfolio.

8. Certificates of Deposit with a final maturity not exceeding five years from the date of trade settlement. The aggregate investment in certificates of deposit shall not exceed 30% of the Town's portfolio, and no more than 5% of the portfolio shall be held in any one deposit or allocated to any one issuer. Certificates of Deposit shall be issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank or by a federally licensed branch of a foreign bank provided that the senior debt obligations of the issuing institution are rated at least "A" or the equivalent by a NRSRO.

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Negotiable certificates of deposit issued by a nationally or state-chartered bank, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposits are subject to the limitations of Section 53601(i), shall be fully insured by the FDIC with a corresponding FDIC certification number, and shall be delivered through the Depository Trust Company.

Non-Negotiable certificates of deposit issued by a nationally or state-chartered bank, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of non-negotiable certificates of deposit are subject to the limitations of Sections 53601(n) and 53638 and shall be fully insured by the FDIC with a corresponding FDIC certification number. Private sector entities may be used to place certificates of deposit subject to the limitations of Section 53601.8.

9. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1. The aggregate amount invested in LAIF shall not exceed the maximum allowed by the fund.
10. Money Market Funds registered under the Investment Company Act of 1940 that (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant net asset value per share of \$1.00; (3) invest only in government securities, and (4) have a rating of at least AAA or the equivalent by at least two NRSROs. No more than 10% of the Town's total portfolio shall be invested in money market funds of any one issuer, and the aggregate investment in money market funds shall not exceed 20% of the Town's total portfolio.

Securities that have been downgraded to a level that is below the minimum ratings described herein may be sold or held at the Town's discretion. The portfolio will be brought back into compliance with Investment Policy guidelines as soon as is practical.

The foregoing list of authorized securities and transactions shall be strictly interpreted. Any deviation from it must be preapproved by resolution of the Town Council.

PORTFOLIO MATURITIES AND LIQUIDITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The Town will not invest in securities maturing more than five years from the date of trade settlement, unless the Town Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

SELECTION OF BROKER/DEALERS

The Treasurer shall maintain a list of broker/dealers approved for investment purposes, and it

INVESTMENT POLICY

shall be the policy of the Town to purchase securities only from those authorized firms. To be eligible, a firm must meet at least one of the following criteria:

- Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure; or
- Report voluntarily to the Federal Reserve Bank of New York; or
- Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

In addition, authorized broker/dealers must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code.

The Town may engage the services of investment advisory firms to assist in the management of the portfolio and investment advisors may utilize their own list of approved broker/dealers. Such broker/dealers will comply with the selection criteria above and the list of approved firms shall be provided to the Town on an annual basis or upon request.

In the event that an external investment advisor is not used in the process of recommending a particular transaction in the Town's portfolio, authorized broker/dealers shall attest in writing that they have received and reviewed a copy of the this Investment Policy and shall be required to submit and annually update a Town approved Broker/Dealer Information request form, which includes the firm's most recent financial statements.

The Town may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 4 of the Authorized Securities and Transactions section of this Investment Policy.

COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the Town is offered a security for which there is no other readily available competitive offering, the Treasurer will document quotations for comparable or alternative securities.

SELECTION OF BANKS

The Treasurer shall maintain a list of banks and savings banks approved to provide banking services for the Town. To be eligible, a bank must be a member of the Federal Deposit Insurance Corporation, must qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

INVESTMENT POLICY

Authorized banks that accept deposits from the Town shall meet high standards with regard to liquidity, asset quality, profitability and capital adequacy. The Treasurer shall utilize a commercial bank rating service to perform credit analysis on banks seeking authorization. Banks that in the judgment of the Treasurer no longer offer adequate safety to the Town shall be removed from the Town's list of authorized banks.

SAFEKEEPING AND CUSTODY

The Treasurer shall select one or more financial institutions to provide safekeeping and custodial services for the Town. A Safekeeping Agreement shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

Custodian banks will be selected on the basis of their ability to provide services for the Town's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the Town. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities, purchased by the Town, will be delivered by book entry and will be held in third-party safekeeping by a Town approved custodian bank or its Depository Trust Company (DTC) participant account.

All Fed wireable book entry securities owned by the Town shall be held in the Federal Reserve System in a customer account for the custodian bank which will name the Town as "customer."

All DTC eligible securities shall be held in the custodian bank's DTC participant account and the custodian bank shall provide evidence that the securities are held for the Town as "customer."

PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the Town's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's weighted average effective maturity. When comparing the performance of the Town's portfolio, its rate of return will be computed net of all fees and expenses.

REPORTING

Every month, the Treasurer shall prepare a report that conforms to Government Code Section 41004. The report shall be submitted to the Town Clerk within 45 days after the end of each

INVESTMENT POLICY

month for inclusion as an agenda item at the next scheduled Town Council meeting. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the Town;
2. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
3. Realized and unrealized gains or losses calculated by amortized cost and by fair value;
4. The weighted average maturity of the portfolio and a percentage breakdown of the total portfolio by maturity;
5. A description of the funds, investments and programs that are under the management of contracted parties;
6. The Town of Los Gatos Environmental, Social and Governance (ESG) scores;
7. A statement of compliance with this Investment Policy or an explanation for non-compliance; and
8. A statement of the ability to meet expenditure requirements for the next six months, and an explanation of why money will not be available if that is the case.

PROCEDURES

This Investment Policy shall be adopted by resolution of the Town Council. Annually the Town Manager shall present this Investment Policy to the Town Council and the Finance Commission for review to ensure its consistency with the Town's investment objectives, current law and economic trends. Any amendments to this Investment Policy shall be approved by the Town Council.

/S/Gabrielle Whelan, Town Attorney

Frequently Asked Questions

LAIF Account

What entities are permitted to invest in LAIF?

Local governmental units, nonprofit corporations whose membership is confined to public agencies or public officials, and qualified quasi-governmental agencies can invest in LAIF. (Government Code Section 16429.1)

Does LAIF allow multiple accounts and subaccounts for each participating agency?

No. However, agencies are permitted to open separate bond proceeds accounts.

What documents are required to open a LAIF account?

A Certified Board Resolution (adopted by the entity's governing body) and a New LAIF Account form (available online at <http://www.treasurer.ca.gov/pmia-laif/forms/new.pdf>) are required to open a regular LAIF account. In addition to these documents, a Bond Application and Official Statement are required to open a LAIF bond proceed account. Please see "How to Participate" at <http://www.treasurer.ca.gov/pmia-laif/answer/howto.asp> and contact LAIF staff at 916-653-3001 for more information.

What are the LAIF procedures for depositing and withdrawing funds?

See "Procedures for LAIF Transactions" at www.treasurer.ca.gov/pmia-laif/answer/procedures.asp.

How do I obtain a copy of the wiring instructions for my LAIF transactions?

Contact LAIF staff at 916-653-3001 for the wiring instructions for your bank.

Are there minimum and/or maximum LAIF account balance restrictions?

Yes. Regular LAIF account balances are capped at \$75 million. There is no minimum account balance requirement. Bond proceeds accounts have no minimum or maximum balance restrictions.

How many transactions are permitted each month?

Each regular LAIF account is permitted 15 transactions per month.

Is there a minimum and/or maximum transaction amount for deposits and withdrawals?

Yes. For regular LAIF accounts, the minimum transaction amount is \$5,000 and the maximum transaction amount is \$75 million. Bond proceeds accounts have a one-time deposit with no cap and are set-up with a monthly drawdown schedule.

Does LAIF require advance notice for deposits and/or withdrawals?

No. However, for cash flow purposes, we request one day prior notice for deposits and withdrawals of \$10 million or more.

Is there a cutoff time for deposits and withdrawals?

Yes. LAIF transactions completed by 10:00 a.m. Monday – Friday will receive same day credit. Also, transactions may be requested 10 calendar days in advance of the effective date.

Can a LAIF account remain open with a zero balance?

Yes. Regular LAIF accounts will remain open with a zero balance unless a request is made to close the account. Bond proceed accounts will automatically be closed when the balance is zero.

Are confirmation numbers provided for each transaction?

Yes. Confirmation numbers are given at the time of the transaction and are also included in the monthly statements.

How do I request changes to my LAIF account?

Address, authorization and banking information change forms are available online at www.treasurer.ca.gov/pmia-laif/laif.asp under “Forms.” Change forms must be signed by two (2) persons authorized by the agency’s resolution and then returned to LAIF. A sample resolution is also available if the authorized signers change. Please contact LAIF staff at 916-653-3001 for further assistance.

How do I request a copy of a statement?

Monthly statements are available online for two years under “Reporting Documents” at www.treasurer.ca.gov/pmia-laif/laif.asp. For requests beyond two years, please contact LAIF staff at 916-653-3001 for assistance.

Are LAIF funds borrowable?

No. "Moneys placed with the Treasurer for deposit in the Local Agency Investment Fund by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following:

- a) Transfer or loan pursuant to Sections 16310, 16312, or 16313.
- b) Impoundment or seizure by any state official or state agency."
(Government Code Section 16429.3)

Will LAIF funds still be available if there is a State budget impasse?

Yes. The Court of Appeal issued a decision on the Jarvis Taxpayers Association v. Connell case on May 29, 2002 where the court held that the Controller may disburse funds during a budget impasse when the state and federal law properly authorizes or requires their payment, despite the absence of a budget act or emergency appropriation. "The right of a city, county, city and county, special district, nonprofit corporation, or quasi-governmental agency to withdraw its deposited moneys from the Local Agency Investment Fund, upon demand, may not be altered, impaired, or denied, in any way, by any state official or state agency based upon the state's failure to adopt a State Budget by July 1 of each new fiscal year." (Government Code section 16429.4)

Is LAIF Considered a 2a7?

No. As a part of the Pooled Money Investment Account (PMIA), LAIF does not exist on its own, it is a subset of the PMIA. Due to this comingling of funds, LAIF is not a 2a7 External Investment Pool (nor is the PMIA/LAIF "2a7 like") and, as such, is exempt from Government Accounting Standards Board (GASB) Rule 72.

Administration

How much are LAIF's administrative costs?

Administrative costs are not to exceed 5% of quarterly earnings of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly earnings of the fund for the subsequent fiscal year. (Government Code Section 16429.1) These fees cover actual costs to administer the LAIF program.

How often are administrative fees assessed and how are they paid?

Administrative fees are assessed quarterly. For each LAIF account, these fees are deducted from quarterly earnings prior to interest posting.

Are there additional fees for wiring funds?

No. LAIF does not charge a fee for wires or book transfers. However, your financial institution may charge a fee for LAIF transfers.

Interest

What's the current interest rate on the Pool?

For current interest rates on the Pool, go to <https://www.treasurer.ca.gov/pmia-laif/historical/daily.pdf>.

What methodology is used to calculate interest (simple maturity, yield to maturity, etc.)?

Interest is calculated on a dollar-day basis to guarantee equitable distribution among all member funds. Dollar-days refers to the amounts deposited and the number of days the amounts remained in LAIF.

How frequently is interest paid?

Interest is paid quarterly and is posted to the LAIF accounts on the 15th of the month, or previous business day if the 15th is a non-working day, after the quarter end (i.e., January 15, April 15, July 15 and October 15).

How are gains and/or losses reported (factored monthly or only when realized)?

Gains and/or losses are reported when realized.

Reporting

How often is the portfolio yield reported to participants?

The portfolio daily yield is updated weekly. See "PMIA Daily Effective yield" at <https://www.treasurer.ca.gov/pmia-laif/historical/daily.pdf> or "PMIA/LAIF Performance" at http://www.treasurer.ca.gov/pmia-laif/performance/pmia-laif_perform.pdf. To receive weekly electronic performance updates, please contact LAIF staff at 916-653-3001 to be added to the subscriber list.

Are administrative fees of the Pool deducted before quoting the yield?

No. The yield is quoted prior to deduction of administrative fees.

Where can I find reporting documents for the Pool?

The following reports can be found at <http://www.treasurer.ca.gov/pmia-laif/pmia/index.asp> under “Reporting Documents”: Disclosure Statements, Market Valuation, Maturity Schedule, Monthly Reports, Quarterly Reports, Annual Reports, and Independent Auditor’s Report by Bureau of State Audits.

Is the Pool insured?

No. However, due to the portfolio’s characteristics, credit risk is minimal.

Securities

Does the Pool provide a written statement of the PMIA Investment Policy?

Yes. A written statement of the PMIA Investment Policy can be found at www.treasurer.ca.gov/pmia-laif/answer/policy.pdf. The policy includes a description of authorized securities, credit standards of investments, allowable maturity range of investments, the maximum allowable dollar weighted average portfolio maturity, the limits of portfolio concentration permitted for each type of security, and the policy on reverse repos.

Is the Pool rated?

No. The Pool is not rated.

Security

What are the safekeeping practices of the Pool?

The Treasurer may place and maintain for safekeeping as a trust deposit with any qualified trust company, other than the depositor bank, or with the Federal Reserve Bank or any branch thereof any securities that have been received by the Treasurer. (Government Code Section 16551) The Treasurer utilizes a custodian bank.

Is the Pool subject to audit by an independent auditor?

Yes. The Pool is audited annually by the Bureau of State Audits and the resulting report is posted to the website at www.treasurer.ca.gov/pmia-laif/reports/bsa.pdf.

Who makes the portfolio decisions?

Investment decisions are made by the State Treasurer and the Investment Division staff of the State Treasurer's Office.

How do the investment managers monitor the credit risk of the securities in the Pool?

A written statement of portfolio management goals, objectives and policies, along with independent market valuations, are used to monitor the credit risk of the securities in the Pool.

How is the Pool monitored?

The Pool is monitored by the Pooled Money Investment Board, Local Investment Advisory Board and the Bureau of State Audits to ensure compliance with written policies.

How often are the portfolio's market and securities value reported?

These values are reported quarterly and can be found at www.treasurer.ca.gov/pmia-laif/reports/quarterly.asp.

What method is used to value the portfolio?

The amortized cost and current value methods are used to value the portfolio.

Does the pool distribute detailed reports of its holdings?

Yes. These reports are distributed on a monthly basis and can be found at www.treasurer.ca.gov/pmia-laif/reports/monthly.asp.



Home ->> PMIA ->> Average Annual Yields



LOCAL AGENCY INVESTMENT FUND

Average Annual Yields

Fiscal Year	Rates
71/72	4.880
72/73	5.550
73/74	8.970
74/75	8.620
75/76	6.370
76/77	5.870
77/78	6.700
78/79	8.520
79/80	10.540
80/81	10.780
81/82	12.070
82/83	10.450
83/84	10.408
84/85	10.715
85/86	9.081
86/87	7.435
87/88	7.874
88/89	8.669
89/90	8.655
90/91	8.013
91/92	6.196

Fiscal Year	Rates
92/93	4.707
93/94	4.387
94/95	5.532
95/96	5.706
96/97	5.599
97/98	5.699
98/99	5.344
99/00	5.708
00/01	6.104
01/02	3.445
02/03	2.152
03/04	1.532
04/05	2.256
05/06	3.873
06/07	5.121
07/08	4.325
08/09	2.224
09/10	0.651
10/11	0.495
11/12	0.382
12/13	0.307

Fiscal Year	Rates
13/14	0.249
14/15	0.269
15/16	0.434
16/17	0.754
17/18	1.376
18/19	2.266
19/20	1.934
20/21	0.500
21/22	0.371
22/23	2.170
23/24	3.927
24/25	4.411

RESOLUTION NO. 2026-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITIES
ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY
ADOPTING A BUDGET RESERVE AND INVESTMENT POLICY**

WHEREAS the Cities Association of Santa Clara County (“Cities Association”) desires to adopt a budget reserve and investment policy to ensure the ongoing financial health of the organization and to responsibly invest any public funds not needed for immediate use; and

WHEREAS, on January 22, 2026, the Cities Association’s Board of Directors held a duly noticed public meeting to consider the proposed budget reserve and investment policy and to receive comment and feedback from the public; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITIES ASSOCIATION THAT:

1. The recitals set forth above are true and correct.
2. The Cities Association’s Board of Directors hereby adopts the following Budget Reserves and Investment Policy, set forth in Appendix A, which shall become effective upon the date of its approval by the Cities Association’s Board of Directors.

ADOPTED this 22nd day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTION:

ATTEST:

Vaishali Sirkay, Executive Director

APPROVED:

Tina Walia, President, Board of Directors

Resolution of the Board of Directors of the Cities
Association of Santa Clara County Joint Powers Agency
Adopting a Budget Reserves and Investment Policy

Page 1 of 2

APPENDIX A

Budget Reserve and Investment Policy

The following establishes the Cities Association's Budget Reserves and Investment Policy.

Budget Reserves

The Cities Association shall endeavor to create and maintain a budget reserve. The purposes of this budget reserve shall be:

- To ensure that the Cities Association can continue its operations, in the event of unforeseen circumstances, such as a sudden downturn in the economy.
- To demonstrate continued prudent and responsible fiscal management.

The Cities Association shall seek to establish a target of three months of operating expenses as its budget reserve. During its adoption of each fiscal year's budget, the Cities Association's Board of Directors shall assess the organization's budget reserve and shall consult this policy, as needed.

Investment Policy

For any surplus funds, or funds held in its budget reserve, the Cities Association shall make appropriate investments of these funds. The purposes of this investment policy shall be:

- to safeguard principal;
- to meet liquidity needs; and
- to achieve a reasonable return.

To further these goals, except for two months of operating expenses, the Cities Association directs its Executive Director to deposit the agency's available funds in its Local Agency Investment Fund (LAIF) account with the California State Treasurer. During its adoption of each fiscal year's budget, the Cities Association's Board of Directors shall receive a report on its LAIF investment account and its performance over the prior 12 months.



Agenda Item No: 6b

Meeting Date: January 22, 2026

Cities Association of Santa Clara County Agenda Report

To: BOARD OF DIRECTORS

Prepared by: Shali Sirkay, Executive Director

TOPIC: Quarterly Budget Report and Overview of Cities Association of Santa Clara County (CASCC) Finances
SUBJECT: Mid-Year Budget Update and Potential Adjustments

RECOMMENDATIONS:

1. Receive a presentation on Cities Association Finances, including quarterly budget report.
2. Action Items: Provide direction to Executive Director regarding allocation of funds between operations account and Local Agency Investment Fund (LAIF) account in accordance with Investment and Reserve Policy.

BACKGROUND:

The Cities Association has entered into an agreement with the City of Sunnyvale to serve as its fiscal agent. As the fiscal agent for the Cities Association, the City of Sunnyvale will assist with tracking revenues and expenditures, paying approved invoices on behalf of the Cities Association and assisting with the required annual audit. This transition along with the completion of the books for the last fiscal year provided the opportunity to review the finances of the Cities Association and provide this overview to the board.

QUARTERLY BUDGET REPORT:

At its April 10, 2025 meeting, the Board approved an operating budget for FY26 in the amount of \$238,456 and expected revenue of \$287,403. The total revenue for FY26 to date is \$276,355. Holiday party ticket sales revenue was higher than the budgeted amount (\$5167 vs. \$3000). The total expenditures for FY26 to date, including outstanding invoices and checks written by the Cities Association that have not yet been deposited by vendors, is \$94,025.

As the Cities Association continues to organize and streamline its financial practices, operating expenses are under budget, and revenues are exceeding expenditures.

FINANCIAL OVERVIEW

At the September 11, 2025 Board of Directors meeting, board direction was sought regarding the funds remaining after the close of the 2024-2025 fiscal year. At that time, the Board directed the remaining \$36,723.15 *be split in half with each half to be deposited in the Cities Association Local Agency Investment Fund account and the business*

checking account. However, the actual expenditures record has been updated to include several June 2025 invoices that were due to be paid in FY25 but were actually paid in FY26 (July 2026) because of when the invoices were actually received (see Attachment 1: Fiscal Year 2024-25 Budget vs Actual Expenditures). Board members also asked for additional information, particularly the fund balance in all Cities Association financial accounts. This action has been delayed pending presentation of additional information and the presentation of an Investment and Reserve Policy to the Board.

In the interim, a review of the Cities Association's finances was undertaken. The Cities Association holds its funds in two accounts - a business checking account and a LAIF account. At the time of posting this agenda report (January 19, 2026), the business checking account holds \$399,548.87 and the LAIF account holds \$28,071.21. Based on expenditures reported in the quarterly budget update, it is recommended that \$144,431 remain in the business checking account in accordance with the budget for FY26 to cover operating expenses. Pending approval of a reserve and investment policy, the Board may consider keeping an additional \$60,000 or 3 months of operating expenses in the business checking account.

Fund Balances rounded to nearest whole dollar as of January 19, 2026:

Business Checking Account	\$399,549
LAIF Account	\$28,071
TOTAL	\$427,620

FY26 Expenditures from July 1, 2025 to December 31, 2025

Total Budgeted Expenses	\$238,456
Actual Expenditures to date	-\$94,025
Operating Funds Remaining	\$144,431

Excess Funds in Checking Account

Business Checking Account	\$399,549
Operating Funds Remaining	\$144,431
3 mon. Operating Expenses	-\$60,000
Excess Funds For Transfer	\$195,118

Potential Balance in LAIF Account

Current Balance	\$28,071
Transferred Funds	\$195,118
Potential Balance	\$223,189

Funds for the Planning Collaborative are in addition to these funds and not included in these calculations.

Recommendation: The Board has adopted an Investment and Reserve Policy. It is recommended that the board allocate the funds in accordance with the adopted policy. Specifically, that the board make a motion to retain the full amount of the operating budget for this fiscal year plus 3 months of operating expenses (\$204,431) in the checking account and the remaining \$195,118 to be deposited in the LAIF account to earn interest. Funds can be transferred from the LAIF account to the checking account quickly if it ever becomes necessary.

ATTACHMENTS:

1. Fiscal Year 2024-25 Budget vs Actual Expenditures

Fiscal Year 2024-2025 Budget vs Actuals Period Covered: July 1, 2024 – June 30, 2025

UPDATED
OCT 30, 2025

	BUDGET	ACTUAL	UPDATE
REVENUE			
Membership Dues	\$266,794.00	\$281,403.00	
Holiday Party Ticket Sales (Dec 2024)	\$3,000.00	\$3,682.29	
Summer Member Event Ticket Sales (June 2025)	\$3,000.00	\$450.00	
TOTAL REVENUE	\$272,794.00	\$285,535.29	\$285,535.29
EXPENSES			
Professional Services			
Executive Director	\$120,000.00	\$115,882.00	
Clerk & IT Support	\$6,000.00	\$0.00	
Bookkeeper	\$4,800.00	\$3,961.25	+1900
Legal Counsel	\$61,200.00	\$44,534.72	
Certified Public Accountant	\$12,000.00	\$5,000.00	+\$200
TOTAL LABOR	\$204,000.00	\$169,377.97	\$171,477.97
Office			
Insurance- General Liability	\$7,500.00	\$3,296.09	
Gusto (payroll service)	\$1,560.00	\$1,020.00	
US Bank Fees	\$36.00	\$0.00	
Peninsula Storage Center	\$1,800.00	\$1,350.00	
Verizon (Google Voice office phone)	\$364.00	\$364.00	
PO Box	\$216.00	\$216.00	
Miscellaneous	\$500.00	\$81.16	
Conferences & Education for Exec Dir	\$500.00	\$0.00	
TOTAL OFFICE	\$12,476.00	\$6,327.25	
Memberships			
California Special Districts Association (CSDA)	\$1,281.00	\$788.08	

TOTAL MEMBERSHIPS	\$1,281.00	\$788.08	
Hospitality & Special Events			
Refreshments BOD monthly mtgs	\$1,800.00	\$1,534.79	
Summer Membership Event	\$3,000.00	\$5,094.48	
December Holiday Party	\$3,000.00	\$9,543.28	
TOTAL HOSPITALITY	\$7,800.00	\$16,172.55	
Technology & Software			
Adobe (PDF tools)	\$306.00	\$575.76	
Canva (graphics and templates)	\$117.00	\$155.40	
Intuit (Quickbooks Online)	\$945.00	\$415	
Microsoft	\$242.00	\$450.00	
Proud City- CASC Website	\$600.00	\$600	
Proud City- SCSC Round Table Website	\$600.00	\$600	
Zoom	\$1,022.00	\$1518.80	
TOTAL TECHNOLOGY	\$3,832.00	\$4,314.96	
TOTAL EXPENSES	\$229,389.00	\$192,665.85	\$194,765.85

TOTAL REVENUE MINUS TOTAL EXPENSES: ~~\$36,723.15~~ \$34,623.15

LOCAL AGENCY INVESTMENT FUND (LAIF): \$27,466.95 (Balance on June 30, 2025)



Agenda Item No: 7

Meeting Date: January 22, 2026

Agenda Report Regarding Process to Amend the Joint Powers Agreement and Bylaws

To: BOARD OF DIRECTORS

**Prepared by: Jannie L. Quinn, General Co-Counsel and
Andrew Shen, General Co-Counsel**

SUBJECT: Process to Amend the Joint Powers Agreement (“JPA”) and Bylaws

RECOMMENDATION:

Consider whether to place the proposed amendments to the JPA and Bylaws on a future agenda to take formal action on the request or for further discussion. If the Board votes to agendize these amendments for a future board meeting, provide direction to the Executive Director and General Counsel, as needed.

BACKGROUND:

The current JPA took effect on approximately February 1, 2024, following approval and execution by the member agencies as required by the JPA (Attachment 1). The current bylaws were approved by the Board of Directors on May 9, 2024 (Attachment 2).

The Cities Association has received a request from the City of Cupertino to agendize an item proposing amendments to the JPA and the Bylaws. (Attachments 3-8). The purpose of this agenda report is to explain the amendment process for these documents.

OUTLINE OF AMENDMENT PROCESS

JPA

The requirements to amend the JPA are found in Article 29. This article provides:

“This agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of approval of the amendment by two thirds of the Legislative Bodies of the Members.”

Any amendment of the JPA would require approval by the legislative bodies of 10 of the 15 member agencies and subsequent notice of their approvals.

Bylaws

The process to amend the Bylaws is different from the process to amend the JPA. The Board is required to affirmatively approve any proposed amendments to the Bylaws, in addition to consultation with the legislative bodies of the member agencies.

Section 8.2 of the Bylaws outlines the amendment process, it reads:

“These Bylaws may be amended only in the following manner: Proposed amendments shall be submitted in writing to the Board of Directors for approval, and if approved, shall thereafter be submitted in writing to each member City of the Agency at least thirty (30) days before action thereon by membership. An affirmative vote of a majority of the Board of Directors present, and voting shall be required for approval.”

The bylaws envision a **multi-step process** for the Board of Directors’ (“Board’s”) consideration and adoption of amendments. The process also requires an opportunity for the Cities Association’s member cities to review the proposed changes.

- To initiate a Bylaws amendment, the proposed amendment must be submitted in writing to the Board. **The Board would then vote on whether to place the proposed amendment on a future agenda to take formal action on the proposal.** If the amendment has not yet been reviewed by General Counsel, the Board may also direct General Counsel to review and offer any clarifying language.
- **If the Board has voted to place the proposed amendment on a future agenda, the proposed amendment must then be submitted to each member city, in writing, at least 30 days before the Board can take formal action.** This provision allows member cities to weigh in on the proposed Bylaws amendment if they so desire.

After the 30-day review period has elapsed, the Board can take formal action on the proposed amendment at its next meeting. Approval of the proposed bylaws amendment requires a simple majority vote of the Board.

NEXT STEPS

If the Board votes to place the proposed Bylaws amendments on a future agenda for formal action, following Board approval, the next step in the process would be for the Cities Association to submit them to each member agency for 30-day review period.

RECOMMENDATION:

Consider whether to place the proposed amendments to the JPA and Bylaws on a future agenda to take formal action or for further discussion. If the Board votes to agendize these amendments for a future board meeting, provide direction to the Executive Director and General Counsel, as needed.

ATTACHMENTS:

1. Final Executed Joint Powers Agreement
2. Final Approved Cities Association Bylaws
3. Email Request from Vice Mayor Kitty Moore for Agenda Item
4. Memo from Mayor Liang Chao, City of Cupertino, to CASC Board of Directors
5. Resolution No. 25-083: Requesting Amendments to the CASC Joint Powers Agency Agreement and Bylaws
6. Attachment C: *Redlined Joint Powers Agency Agreement for the Cities Association of Santa Clara County* (effective January 26, 2024)
7. Attachment D: *Redlined Bylaws of the Cities Association of Santa Clara County Joint Powers Agency* (approved May 9, 2024)
8. Resolution No. 25-084: Appointing Councilmember Kitty Moore to the CASC Board of Directors for the 2026 Term and Supporting Her Candidacy for the Executive Committee

JOINT POWERS AGENCY AGREEMENT FOR CITIES ASSOCIATION OF SANTA CLARA COUNTY

This Joint Powers Agreement (“Agreement” or “JPA”) for the Cities Association of Santa Clara County is entered into by and among the cities (“Members”), which are organized and existing under the Constitution and laws of the State of California in which public agencies are located in the County of Santa Clara, and upon approval and full execution of the Agreement, creates the Cities Association of Santa Clara County Joint Powers Agency (“Agency”).

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 *et seq.*) permit two or more public agencies by agreement to jointly exercise powers common to the Members; and

WHEREAS, the public agency Members executing this JPA are cities or towns within the jurisdiction of the County of Santa Clara (“County”); and

WHEREAS, the Cities Association of Santa Clara County has existed as an unincorporated association since 1990 and desires to formalize the relationship between its City and Town members and form a Joint Powers Agency in order to carry out activities for the good of all its Members; and

WHEREAS, the Members executing this Agreement, desire to join together to create a separate Joint Powers Agency for the purpose of promoting cooperation among the Members; advocating for positive action; enhancing the quality of life for the residents of the County and their individual cities; and encouraging other joint and cooperative endeavors among the public agencies for their mutual benefit.

NOW, THEREFORE, the Parties agree to the following:

AGREEMENT

ARTICLE 1 - DEFINITIONS

- 1.1 “Associate Member” shall mean any non-city local agency, located within jurisdictional authority of the County of Santa Clara, and shall have duly executed and delivered to the Agency an Associate Membership Agreement in the form of and as further provided in the Bylaws of the Agency, as further provided in Article 32 herein.
- 1.2 “Agency” shall mean the Cities Association of Santa Clara County Joint Powers Agency created by this Agreement.
- 1.3 “Board of Directors” or “Board” shall mean the governing body of the Agency.
- 1.4 “Executive Committee” shall mean the Executive Committee of the Board of Directors of the Agency.

- 1.5 “Fiscal Year” shall mean that period of twelve (12) months which is established by the Board of Directors or the Bylaws as the fiscal year of the Agency, which shall run from July 1 to June 30 of each year.
- 1.6 “Government Code” shall mean the California Government Code, as amended.
- 1.7 “Joint Powers Law” shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code, known as the Joint Exercise of Powers Act, as amended.
- 1.8 “Legislative Body” shall mean the legislative board of each Public Agency that is a Member of the Agency.
- 1.9 “Member” shall mean any city which has executed this Agreement and has become a member of the Agency. The complete list of Members is set forth in Exhibit “A” attached hereto and incorporated herein by this reference.
- 1.10 “Parties” shall mean Members or Associate Members who are party to this Agreement.
- 1.11 “Public Agency” shall mean public agency as defined in Government Code Section 6500, as amended.
- 1.12 Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neutral gender shall be construed to include each other gender, when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions herein shall be construed to effectuate the purposes set forth and to sustain the validity of those purposes.

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;
 - 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
 - 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
 - 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;

- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
- 2.1.9 Strengthen the Members' and Agency's standing at the regional, State and Federal level;
- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

ARTICLE 3 - PARTIES TO AGREEMENT

Each Member, as a Party to this Agreement, intends to and does contract with all other Members as Parties to this Agreement and, with other Public Agencies as may later be added as Parties to this Agreement pursuant to the Joint Powers Law. The withdrawal of any party from this Agreement, pursuant to Article 20, shall not affect this Agreement or the remaining Members' obligations.

ARTICLE 4 – FORMATION; TERM

This Agreement shall become effective when fully executed and returned to the Agency by at least eight (8) Members, but only as to those Members that have executed the Agreement. The Agency shall promptly notify all Members in writing of the effective date. After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar joint powers authority, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5 - CREATION OF THE AGENCY

Pursuant to the Joint Powers Law, there is hereby created a public entity, separate and apart from the Parties hereto, to be known as the "Cities Association of Santa Clara County Joint Powers

Agency” with powers as are set forth herein. Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist.

ARTICLE 6 - POWERS OF THE AGENCY

6.1 Subject to the terms of this agreement, the Agency shall have all of the powers of a public agency as defined in the Government Code Section 6500 as amended and all additional powers set forth in the Joint Powers Law and other statutes applicable to the Joint Powers Agency created hereby and is authorized to do all acts necessary for the exercise of these powers on behalf of its Members. Powers include, but are not limited to, the following, in the Agency’s own name:

- 6.1.1 To make and enter into contracts;
- 6.1.2 To incur debts, liabilities, and obligations and to encumber personal property;
- 6.1.3 To acquire, hold, or dispose of personal property, contributions, and donations of personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;
- 6.1.4 To sue and be sued in its own name, and to settle any claim against it;
- 6.1.5 To receive and use contributions and advances from Members as provided in Government Code Section 6504, as amended including contributions or advances of personnel and equipment;
- 6.1.6 To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5, as amended;
- 6.1.7 To acquire, construct, manage, maintain, or operate title to personal property, or rights, or any interest therein;
- 6.1.8 To retain the services of agents, contractors, and consultants;
- 6.1.9 To receive, collect, and disburse monies;
- 6.1.10 To conduct studies, tests, evaluations, and similar activities;
- 6.1.11 To contract for services from Members, including in-kind services;
- 6.1.12 To conduct public outreach and education;
- 6.1.13 To participate in pilot and demonstration projects;
- 6.1.14 To charge for services, programs, and/or systems;
- 6.1.15 To work with elected officials and local, regional, state, and federal agencies, including other joint powers agencies and unincorporated associations to pursue funding, enter agreements and otherwise carry out the purposes of the Agency; and

- 6.1.16 Subject to this Agreement or the Bylaws of the Agency, and only as authorized by the Joint Powers Law, to exercise other reasonable and necessary powers in furtherance or support of any purpose of the Agency.

ARTICLE 7 - RESTRICTIONS ON POWERS

- 7.1 Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.
- 7.2 The Agency shall not have the power of eminent domain.
- 7.3 The Agency shall not have the power of taxation. The Agency may not impose taxes but may receive the proceeds of taxes imposed by other entities or public funds from other entities.
- 7.4 The Agency shall not have the power to acquire, purchase, hold or dispose of real property.
- 7.5 The Agency shall not have the power to hire employees.
- 7.6 The Agency shall not have the power to issue debt.

ARTICLE 8 - BOARD OF DIRECTORS

- 8.1 The Agency shall be governed by the Board of Directors, which shall be composed of one Director representing each Member. Each Member's Legislative Body, according to its own procedures, shall appoint a Member of the Legislative Body as a Director to represent the Member on the Board of Directors. The Director shall serve at the pleasure of their respective Legislative Body. The Legislative Body of each Member shall also appoint one alternate Director ("Alternate") who shall participate in and vote at any meeting of the Board when the primary Director is absent. Any vacancy in a Director or Alternate position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member, the new Member shall be entitled and required to appoint a Director and one alternate Director. Every Director or Alternate shall be a Council Member or Mayor of their individual Member city.
- 8.2 A Director and/or Alternate shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Agency receives written notice from the appointing Member of the removal and/or replacement of the Director or Alternate; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the Director or Alternate; (4) the Agency receives written notice from the Member that the Director or Alternate is no longer qualified as provided in the first paragraph of this Article 8; or as set forth in Article 21.

- 8.3 The Board of Directors shall have the following powers and functions:
- 8.3.1 Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Agency, either directly or by delegation to other bodies or persons;
 - 8.3.2 The Board shall elect an Executive Committee, as provided in Article 11;
 - 8.3.3 The Board shall be the policy setting body of the Agency;
 - 8.3.4 The Board shall appoint or retain the services of necessary agents, consultants, or independent contractors in accordance with Article 14;
 - 8.3.5 The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Agency. Adoption of the budget may not be delegated. The Board shall adopt their budget no later than the first April 30th following formation and then subsequently by April 30th of each successive year. The Board shall review, set, and adopt annual dues to be funded by Agency Members;
 - 8.3.6 The Board shall receive, review and act upon periodic reports and audits of the funds of the Agency, as required under Article 16 of this Agreement;
 - 8.3.7 The Board may adopt policies regarding personnel, conflicts of interest and other matters necessary or convenient for the efficient operation of the Agency;
 - 8.3.8 The Board shall adopt a set of priorities and work plan for each fiscal year; and
 - 8.3.9 Subject to the terms of this Agreement, the Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Agency.

ARTICLE 9 – MEETINGS OF THE BOARD OF DIRECTORS

- 9.1 The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution, or in the Bylaws, the date, time, and location of each regular meeting. The Board or Executive Director, in consultation with the President of the Board as provided in Article 10 below, may call special meetings.
- 9.2 Each meeting of the Board of Directors, including without limitation, regular, adjourned regular and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.
- 9.3 The Agency shall require the Secretary/Treasurer or designee to take and maintain minutes of all regular, adjourned regular and special meetings. As soon as practicable after each meeting, the Secretary/Treasurer or designee shall forward to each Board Member, a copy of the minutes of the meeting.
- 9.4 A majority of the Members of the Board shall constitute a quorum for the transaction of business. Unless otherwise required by law, a vote of the majority of a quorum of the members

present at a meeting is sufficient to take any action, unless otherwise specified in this Agreement. However, less than a quorum may adjourn the meeting to a future date.

9.5 Each Member of the Board shall have one vote.

ARTICLE 10 - OFFICERS

The Board shall elect as Officers of the Agency President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Agency, the Board shall elect the President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President, at the November Board of Directors meeting, or the first meeting held on or after November 1 of each year. Of the Officers, the President, and at least two other Officers, must also be members of the Board of Directors. The remaining Officers may be the elected or appointed Mayor or Council Member of any Member of the Agency regardless of whether they are on the Board of Directors. Each Officer shall assume the duties of his or her office upon election. If the President ceases to be a Member of the Board, the resulting vacancy shall be filled at the next meeting of the Board held after the vacancy occurs, or at a special meeting of the Board called to fill the vacancy. The President shall preside at and conduct all meetings of the Board. Should the Board President not be available then the highest-level Officer, who is a member of the Board of Directors, shall preside. If that individual is unavailable, then any Director appointed by the President may preside. The Board may appoint other officers as it considers necessary. The duties of the Secretary/Treasurer are set forth in Articles 16 and 17 of this Agreement. The Secretary/Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Secretary/Treasurer, as provided in the Joint Powers Law.

ARTICLE 11 - EXECUTIVE COMMITTEE

At such time as there are nine Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of three (3) Officers consisting of the President, First Vice President, and Secretary/Treasurer, which shall exist thereafter. At such time as there are 11 Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of five (5) Officers, with the addition of the Immediate Past President, which shall exist thereafter. Should the Immediate Past President no longer hold elected office then a Member at Large may be appointed by the Board to serve on the Executive Committee. The qualifications of the Member at Large are that they must be an elected or appointed Mayor or Council Member of a Member of the Agency but need not be on the Board of Directors. The terms of office of the Members of the Executive Committee shall be one year. The Executive Committee shall conduct the business of the Agency between meetings of the Board, exercising all those powers as provided for in this Article, or as otherwise delegated to it by the Board.

The Executive Committee, subject to approval by the Board of Directors, shall exercise all powers or duties of the Board relating to the entering, approval and execution of agreements, leases, and other instruments of or relating to the finances of the Joint Powers Agency within the previously

approved annual budget or amended budget. The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency's annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall obtain approval from the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee. Each meeting of the Executive Committee shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 12 - COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Agency or it may, in the Bylaws or by resolution, delegate this power to the Executive Committee by Resolution. Members of committees, except as otherwise stated in this Agreement, shall be appointed by the President. Each committee shall have those duties as determined by whichever Agency body created it or as otherwise set forth in the Bylaws. Each committee shall meet on the call of its chairperson and shall report to and be directed by whichever entity created it. No more than one representative from each jurisdiction shall serve on each committee. Membership of any committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate decision-making powers and duties only to a committee, a majority of the members of which are Board Members. Any committee, except the City Selection Committee, in which a majority of the members are not Board Members may function only in an advisory capacity. The Legislative Action Committee shall be a permanent Committee of the Agency chaired by the Second Vice President and whose members shall be appointed by the Agency Members. Should there be no Second Vice President, the Legislative Action Committee shall be chaired by the First Vice President. All standing committees shall abide by the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 13 – CITY SELECTION COMMITTEE

The City Selection Committee is established pursuant to State law and the Agency shall administer the City Selection Committee as follows: The City Selection Committee shall be a permanent committee of the Agency, consisting of the Mayor of each City or Town, consistent with Government Code 50270, as amended. The Agency shall allow all cities in the County to participate in the City Selection Committee, whether or not they are members of the Agency.

ARTICLE 14 – PROFESSIONAL SERVICES

14.1 The Board of Directors may contract with individuals or companies to provide the following services at the pleasure of the Board of Directors:

- 14.1.1 Executive Director. The Board shall contract with a consultant or independent contractor to fulfill the following duties of an Executive Director: manage the affairs of the Agency, subject to the general supervision and policy direction of the Board and the Executive Committee; oversee the day-to-day activities of the Agency; select and manage the activities of all consultants and independent contractors to the Agency; be responsible for required filings by the Agency with the State of California; prepare or delegate the preparation of all meeting notices, minutes, and required documentation of the Agency; prepare and propose an annual budget; prepare reports and recommendations for consideration by the Executive Committee or Board; be responsible for billing and collection of annual dues; maintain the records of the Agency; assist Local Agencies in the preparation and filing of applications for participation in the financing programs of the Agency; expedite the processing of these applications; pay all invoices, taxes and amounts due; and perform other duties as are assigned by the Board and Executive Committee. The Executive Director may have the authority to sign agreements, applications, and other documents on behalf the Agency, if authorized by the Board or Executive Committee. The Executive Director shall have the Authority to enter into individual Agreements with a single vendor over the course of a fiscal year, on behalf of the Agency, up to the amount set by the Bylaws.
- 14.1.2 General Counsel. The Board shall contract with a consultant, independent contractor, or law firm to fulfill the duties of General Legal Counsel. The General Counsel shall take direction from the majority of the Board of Directors. The General Counsel shall be a member in good standing of the California State Bar. The General Counsel shall be responsible for the legal affairs of the Agency;
- 14.1.3 Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual financial audits of the Agency;
- 14.1.4 Other services. The Executive Director may hire additional consultants and independent contractors, as appropriate, based upon a previously approved budget;
- 14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System ("PERS"), nor shall any agent, consultant or independent contractor of the Agency become a member of PERS or be entitled to a pension or retirement from PERS as a result of service to the Agency; and
- 14.1.6 The consultants and independent contractors fulfilling the duties of Executive Director, the Auditor, the General Counsel and any other consultants or independent contractors who provide services to the Agency shall be compensated in such manner as shall be approved by the Board and as permitted by applicable law.

ARTICLE 15 - SIGNIFICANT PROGRAMS

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. If the Board deems it necessary, it may

appoint a working committee to study the significant program or activity and provide input to the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$10,000 or more in annual expenditures; this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into a specific program or project Agreement that includes relevant terms regarding the particular affected Members, and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These limited scope Agreements shall be subject to approval by the Board by a two-thirds vote of the Members.

ARTICLE 16 - ACCOUNTS AND RECORDS

- 16.1 The Agency shall adopt an operating budget pursuant to Section 8.3.5 of Article 8 of this Agreement.
- 16.2 The Secretary/Treasurer of the Agency or the Executive Director shall establish and maintain funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Agency shall be open to and made available for inspection at all reasonable times upon request by authorized representatives of the Members.
- 16.3 The Agency shall adhere to the standard of strict accountability for funds and report all receipts and disbursements as set forth in the Joint Powers Law.
- 16.4 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 the prior Fiscal Year to the Board.
- 16.5 The Agency shall either make or contract with a Certified Public Accountant to make an annual Fiscal Year audit of all accounts and records of the Agency, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed as a public record and be provided to each of the Members, and with the County Auditor of the County of Santa Clara. Costs of the audit shall be considered a general expense of the Agency. Any costs of the audit shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for this purpose.

ARTICLE 17 - RESPONSIBILITIES FOR FUNDS AND PROPERTY

- 17.1 The Secretary/Treasurer, or his or her designee, shall have the custody of and disburse the Agency's funds. Proceeds of similar obligations of the Agency may be deposited with a trustee, agent or other depository and shall not be considered the Agency's funds for purposes of this Article. The Secretary/Treasurer may delegate disbursements to persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of Section 17.2 below.

- 17.2 The Secretary/Treasurer or designee shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Secretary/Treasurer shall review the financial statements and the annual audit of the Agency.
- 17.3 Pursuant to Government Code Section 6505.1, as amended, the Executive Director, the Secretary/Treasurer, and other persons as the Board may designate, shall have charge of, handle, and have access to the property of the Agency. The Agency shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in a form specified by the Board of Directors, covering any officers or agents of the Agency who are authorized to hold or disburse funds of the Agency and any officers or agents who are authorized to have charge of, handle and have access to property of the Agency.

ARTICLE 18 - MEMBER RESPONSIBILITIES

- 18.1 Each Member shall have the following responsibilities:
- 18.1.1 To appoint its Director and Alternate to, or remove its Director and Alternate, from the Board, as set forth in Article 8;
- 18.1.2 To consider proposed amendments to this Agreement as set forth in Article 29;
- 18.1.3 To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement; and
- 18.1.4 If a Member provides written notice to the Agency of its election to relinquish its status as a Member, or if a Member fails to be represented at four (4) or more consecutive regular meetings of the Board of Directors, then that Member may be deemed to be a suspended Member, with all the rights and duties of an Associate Member, upon action of the Board of Directors duly adopted. Prior to the suspension, the President shall contact the Mayor and request that another Council Member be appointed or that reinstatement for the current Member be requested. The suspension shall be approved by the Board of Directors. Promptly following that action by the Board of Directors, the Member may be reinstated by informing the Board of its intent to be reinstated within thirty (30) days and to attend all future meetings either via the Director or Alternate. Removal of a Member for failure of the Director to attend meetings shall not relieve the Member from its obligations under any outstanding agreements relating to the Agency's financial obligations, except in accordance with this Agreement.

ARTICLE 19 - NEW MEMBERS

With the approval of the Board, any city located within the County of Santa Clara may become a party as a Member to this Agreement. A city requesting membership shall apply by presenting to the Agency, a resolution of the Legislative Body of the City, evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board. The Agency shall

accept new Members upon a majority affirmative vote of the entire Board and upon payment of any Board determined assessments and fees.

ARTICLE 20 - WITHDRAWAL

A Member may terminate its membership in the Agency at any time upon giving one hundred and eighty (180) days written notice of withdrawal to the Agency. The notice shall be given to the Board of Directors. The effective date shall be the conclusion of the first Board Meeting which occurs after the one hundred and eighty (180) day notice period has passed. Any Member who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations incurred or accrued through the end of the current fiscal year of the Agency. The withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Agency then in effect. In the event of a disagreement between the Agency and the withdrawing Member as to whether the withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Agency, the determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Agency shall provide funds to the Agency, proportionate to their responsibility for the current fiscal year, as if the Member had never left the Agency. A withdrawing Member shall, in all events, remain liable for its proportionate share of: (i) its full amount of its proportionate share of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Agency prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time of the notice of withdrawal.

ARTICLE 21 - REMOVAL

If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can remove the Director and request that the Member who appointed the Director appoint a new Director. The Board may, by two-thirds majority vote of the entire Board, remove a Member based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement as described above. Failure to pay dues within 60 days following notice shall result in a Member becoming suspended with all the rights of an Associate Member. A suspended Member shall immediately have its voting rights restored upon full payment of dues.

ARTICLE 22 - OBLIGATIONS OF AGENCY

The debts, liabilities, and obligations of the Agency shall not be the debts, liabilities, and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency. Nothing in this Agreement shall be interpreted to limit the applicability of the provisions of Government Code Section 895.6.

ARTICLE 23 - TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no financial obligations of the Agency are outstanding, with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Agency shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties to this Agreement, in accordance with the respective contributions of each of the Parties.

ARTICLE 24 - LIABILITY OF BOARD OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS

- 24.1 The Members of the Board of Directors, Officers, and Committee Members of the Agency 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 individually liable for any mistake of judgment, or any other action made, taken, or omitted by them in good faith, nor for any act or omission by any agent, consultant or independent contractor selected with reasonable care, nor for loss incurred, resulting from any action made, taken, or omitted by them in good faith and with reasonable care through investment of Agency funds, or failure to invest.
- 24.2 No Director, Officer, or Committee Member shall be responsible for any act or omission of any other Director, Officer, or Committee Member. Unless otherwise required by law, no Director, Officer, or Committee Member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.
- 24.3 The funds of the Agency shall be used to defend, indemnify, and hold harmless the Agency for any Director, Officer, or Committee Member, for their actions taken within the scope of the Agency. Nothing herein shall limit the right of the Agency to purchase insurance to provide coverage for these types of losses.
- 24.4 These indemnification and defense obligations shall survive the termination of the Agreement as to any acts or omissions occurring before such termination.

ARTICLE 25 - INDEMNIFICATION

To the fullest extent allowed by law, the Agency shall defend, indemnify, and save harmless the Members and their governing bodies, officers, agents and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Agency or the activities undertaken pursuant to this Agreement.

ARTICLE 26 - BYLAWS

The Board shall adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Agency. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Agency.

ARTICLE 27 - NOTICES

The Agency shall address notices, billings, and other communications to a Member as directed by that Member. Each Member shall provide the Agency with the email and physical address to which communications are to be sent. Members shall address notices and other communications to the Agency, at the office address of the Agency, or the email address of the Agency as directed by the Member and as set forth in the Bylaws.

ARTICLE 28 - CODES

The Agency shall adopt and observe a Code of Conduct and Conflict of Interest Policy. The Agency shall comply with all requirements of the Fair Political Practices Commission as required by law or regulation.

ARTICLE 29 - AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of the approval of the amendment by two thirds of the Legislative Bodies of the Members.

ARTICLE 30 - SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected.

ARTICLE 31 - 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 Agency. This Agreement shall be binding upon and shall inure to the benefit of successors of the Members. This Agreement is intended solely for the benefit of the

Agency and its Members. No third party shall be deemed a beneficiary of this Agreement or have any rights against the Agency or its Members.

ARTICLE 32 - ASSOCIATE MEMBERS

Any Public Agency located within the jurisdictional authority of the County of Santa Clara may, with the approval of the Board of Directors, become an Associate Member of the Agency by executing and delivering to the Agency an Associate Membership Agreement and providing an Associate Membership fee and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors, or to vote on any matter coming before the Board of Directors or the Agency, unless a separate written agreement is entered into between the Associate Member and the Agency.

ARTICLE 33 - LIBERAL CONSTRUCTION

The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Agency.

ARTICLE 34 - NON-WAIVER

No waiver of the breach of default of any of the covenants, agreements, restrictions, or conditions of this Agreement by any Member shall be construed to be a waiver of any succeeding breach of the same or other covenants, restrictions, or conditions of this Agreement. No delay or omission of exercising any right, power, or remedy in the event of a breach or default shall be construed as a waiver or a variation of any of the terms of this Agreement or any applicable agreement.

ARTICLE 35 - REMEDIES FOR BREACH

If any Member shall default on any obligation contained in this Agreement, the default shall not excuse any other Member from fulfilling its respective obligations under this Agreement. Any Member shall be entitled to pursue all legal and equitable remedies against another Member in response to any alleged default under this Agreement. Any and all of the remedies provided to the Members, hereunder or by law now or hereafter enacted, are cumulative and the exercise of one right or remedy shall not impair the Members to any other remedy.

ARTICLE 36 - ARTICLE HEADINGS

All article headings are for reference only and are not intended to define or limit the scope of any provision of this Agreement.

ARTICLE 37 - DISPUTE RESOLUTION

- 37.1 The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant, or condition of this Agreement ("Dispute") may first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation, or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation.
- 37.2 Each Member shall bear its own costs, attorney's fees, and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Santa Clara County, California.

ARTICLE 38 – INSURANCE

If available, the Agency shall obtain insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Agency. Insurance under this provision may include an insurance pool program.

ARTICLE 39 - FILING WITH SECRETARY OF STATE

The Executive Director of the Agency shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5, as amended and within seventy (70) days of its effective date as required by Government Code Section 53051, as amended.

ARTICLE 40 - COUNTERPARTS

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

ARTICLE 41 - AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties and supersedes any prior written Agreement between the Members on the same topic.

CITY OF CAMPBELL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Bill Seligmann, City Attorney

1/25/24

Date

APPROVED:



Brian Loventhal, City Manager

1/25/24

Date

CITY OF CUPERTINO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

Christopher Jensen

Christopher Jensen, City Attorney

Jan 17, 2024

Date

APPROVED:

Pamela Wu

Pamela Wu, City Manager

Jan 17, 2024

Date

CITY OF LOS ALTOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Jolie Houston, City Attorney

1-18-24

Date

APPROVED:



Gabriel Engeland, City Manager

1/18/24

Date

TOWN OF LOS ALTOS HILLS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Steven Mattas, Town Attorney

1/23/2024

Date

APPROVED:



Peter Pirnejad, Town Manager

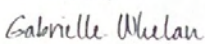
01/24/2024

Date

TOWN OF LOS GATOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

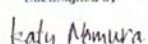
DocuSigned by:


Gabrielle Whelan, Town Attorney

1/26/2024

Date

APPROVED:

DocuSigned by:


Katy Nomura, Assistant Town Manager
For Laurel Prevetti, Town Manager

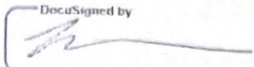
1/30/2024

Date

CITY OF MILPITAS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

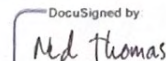
DocuSigned by

2138583A68C9479

Michael Mutalipassi, City Attorney

Jan-24-2024

Date

APPROVED:

DocuSigned by

2138583A68C9479

Ned Thomas, City Manager

Jan-24-2024

Date

CITY OF MONTE SERENO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

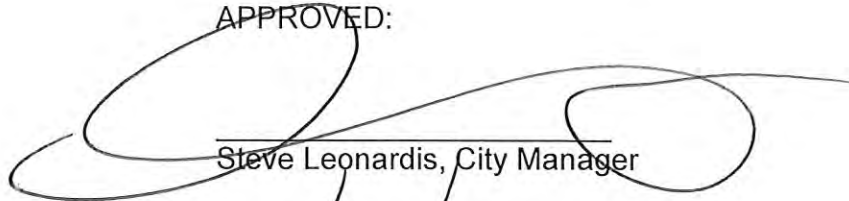


Kristen Powell, City Attorney
Kristen

1-30-24

Date

APPROVED:



Steve Leonardis, City Manager
1/29/24

Date

CITY OF MORGAN HILL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Donald Larkin, City Attorney

1/19/2024

Date

APPROVED:



Christina Turner, City Manager

1/19/2024

Date

CITY OF MOUNTAIN VIEW

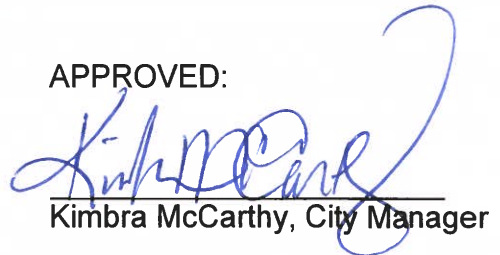
IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Jennifer Logue, City Attorney

1/17/24
Date

APPROVED:


Kimbra McCarthy, City Manager

1/17/24
Date

CITY OF PALO ALTO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

DocuSigned by
Molly Stump

Molly Stump, City Attorney

2/1/2024

Date

APPROVED:

DocuSigned by
Ed Shikada

Ed Shikada, City Manager

1/31/2024

Date

CITY OF SAN JOSÉ

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

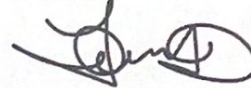
Kevin Fisher

Kevin Fisher, Assistant City Attorney

Feb 16, 2024

Date

APPROVED:



Toni J. Taber, City Clerk

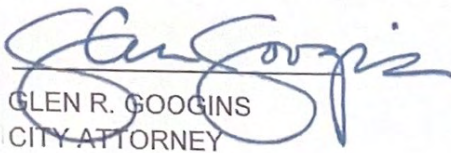
16 February 2024

Date

CITY OF SANTA CLARA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

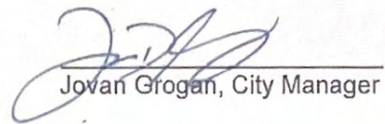
APPROVED AS TO FORM:


GLEN R. GOOGINS
CITY ATTORNEY

1/30/24

Date

APPROVED:


Jovan Grogan, City Manager

1/30/24

Date

CITY OF SARATOGA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

DocuSigned by:
Richard Taylor
580E8DD2F4F84C3
Richard Taylor, City Attorney

1/26/2024

Date

APPROVED:

DocuSigned by:
James Lindsay
9689EA1BA9684B1
James Lindsay, City Manager

1/26/2024

Date

CITY OF SUNNYVALE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

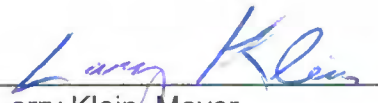


Rebecca Moon, Interim
City Attorney

1/29/24

Date

APPROVED:



Larry Klein, Mayor

January 29, 2024

Date

BYLAWS

CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY

ARTICLE I

PURPOSE AND PRINCIPAL PLACE OF BUSINESS

Section 1. Purpose. The following Bylaws provide for the administration and management of the Cities Association of Santa Clara County Joint Powers Agency (“Agency”). The Agency was established through its member Cities’ adoption and approval of a Joint Powers Agreement (“Agreement”), attached hereto. The member Cities include Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Morgan Hill, Monte Sereno, Mountain View, Palo Alto, San José, Santa Clara, Saratoga, and Sunnyvale. Under Article 26 of the Agreement, the Board of Directors for the Agency shall adopt these Bylaws to establish the operating procedures and standards for the Agency. In the event of any conflict between these Bylaws and the Agreement, the Agreement shall prevail.

Section 2. Principal Place of Business. The principal place of business of this Agency shall be such place within the County of Santa Clara as may be designated from time to time by the Board of Directors of this Agency; and if none has been so designated, such place of business shall be the City Hall of the City of which the Agency President is a member of the legislative body.

ARTICLE II

MEMBERSHIP

Section 1. Membership. Each City in Santa Clara County which has approved and executed the Agreement establishing this Agency, and which has paid in full the dues required under Article VII of these Bylaws shall be a member of this Agency.

Section 2. Suspension. As provided in Article 18.1.4 of the Agreement, if a member City elects to relinquish its status as a member of the Agency, or if a member City fails to be represented at four (4) or more consecutive meetings of the Board of Directors, then the Board of Directors may suspend that member City. As further provided in Article 21, any member City which is delinquent in payment of its dues shall automatically be deemed suspended from membership sixty (60) days after the date on which payment is due if the full payment has not been received, and it shall be the duty of the Secretary/Treasurer to promptly notify the City of its delinquency. Once suspended, the member City may not have any representation on the

Board of Directors and may not vote on matters coming before the Board of Directors. A suspended member City shall be restored to full membership upon its payment of the total dues assessment then due and payable in accordance with Article VII, Section 2.

Section 3. Associate Members. As provided in Article 32 of the Agreement, a non-City local agency may become an Associate Member upon application to and approval by the Board of Directors and execution of an Associate Membership Agreement. Such Associate Members shall also pay a membership fee as determined by the Board of Directors that considers that considers the Associate Member's jurisdictional scope and the number of residents it serves, the role of the Associate Member in the Agency, and the benefits received by the Associate Member through membership in the Agency.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Selection and Tenure. In accordance with Section 8.1 of the Agreement, the Board of Directors of this Agency shall be composed of a representative from each member City, selected by and from the legislative body thereof. Each Board member shall hold office at the pleasure of his or her City's legislative body, and selection shall be made in such manner as the respective legislative bodies of member Cities may themselves determine.

Section 2. Alternates. The legislative body of a member City shall select from among its members an alternate to represent that City on the Board of Directors and vote in the absence of the member from that City.

Section 3. Notice of Appointment. The legislative body of each member City shall, immediately upon the selection of one of its members as a member of Board of Directors, or as alternate, advise the Secretary/Treasurer of such appointment.

Section 4. Ex Officio Members. The Santa Clara County City Managers Association shall serve as advisors to the Agency and may appoint one of its members to serve as an ex officio member of the Board of Directors. The ex officio member may participate in deliberations but shall not participate in voting or in any of the privileges of membership, and shall not be counted for the purpose of determining whether a quorum of the Board is present.

Section 5. Compensation. No member of the Board of Directors, including officers, shall receive any compensation from the Agency for his or her services as a member of the Board. No member of the Board, including officers, shall be entitled to reimbursement from the Agency for expenses incurred on Agency business unless such reimbursement shall be authorized in advance by the Board of Directors, or unless such reimbursement is authorized and distributed by the member's respective city.

Section 6. Duties. It is the responsibility of the members of the Board to report to and solicit comments from their fellow City Council members on major issues and to keep their City Councils informed on the business of the Agency.

ARTICLE IV

OFFICERS

Section 1. Officers Designated. In accordance with Article 10 of the Agreement, the following officers shall be elected by the Board of Directors: President, First Vice President, Second Vice-President and Secretary/Treasurer. Officers shall be selected by the Board of Directors, from the Council Members and Mayors of member Cities.

Section 2. Term of Office.

- a. The regular term of office for all officers shall commence upon election and shall be for a period of one (1) year. No person shall hold the same office for more than two (2) consecutive full terms.
- b. Election of officers shall take place at the first meeting of the Board of Directors and annually thereafter at the regular meeting of the Board of Directors in November.
- c. In the event a vacancy occurs during any officer's term of office, the Board of Directors shall determine whether to fill the unexpired portion of the term and may request that the President establish a nominating committee, as set forth in Section 6 below. If a vacancy occurs in the position of President, the Board of Directors shall fill the position at the next regular meeting or at a special meeting called to fill the vacancy, as provided in Article 10 of the Agreement. A person appointed to fill the unexpired portion of the term is not rendered ineligible to hold the same office in accordance with the provisions of Article IV, Section 2(a).

Section 3. Duties.

- a. President. It shall be the duty of the President to preside at the meetings of the Board of Directors and to perform such other duties as ordinarily pertains to the office of President of like types of organizations.
- b. Vice Presidents. It shall be the duty of the First and Second Vice-Presidents, in that order, to act in the place and stead of the President during the President's absence or inability to act.
- c. Secretary/Treasurer. Consistent with Articles 16 and 17 of the Agreement, the Secretary/Treasurer shall be responsible for the review of all financial accounts and records and the disbursement of funds by the Agency so that they are in accordance with the Agreement, these Bylaws, and the directions of the Board of Directors. In accordance with Section 9.3 of the Agreement, the Secretary/Treasurer shall see that minutes of all Board and Committee meetings are recorded. The day-to-day operation and performance of the Secretary/Treasurer's duties may be delegated

to an Executive Director for the Agency, but in that instance, the Executive Director shall not become an Officer or Board member for the Agency.

Section 4. Executive Director. In accordance with Section 14.1.1 of the Agreement, the Board of Directors may contract with an independent consultant to serve as Executive Director until the Executive Director resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The Executive Director shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 5. General Counsel. In accordance with Section 14.1.2 of the Agreement, the Board of Directors may contract with an independent consultant to serve as General Counsel until the General Counsel resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The General Counsel shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 6. Nominating Committee. A nominating committee consisting of three (3) Board members shall be appointed by the President no later than two (2) meetings before the meeting at which officers for the following year will be elected. The President shall appoint at least one (1) Executive Committee member and at least one (1) Board member who is not a member of the Executive Committee to the nominating committee. At the meeting immediately preceding the meeting for the election of officers, this nominating committee shall present its nominations for officers for the following year. Additional nominations may be made from the floor at the meeting where the election is to be conducted, providing the consent of the nominee has been secured.

ARTICLE V

MEETINGS

Section 1. Schedule and Locations. Regular meetings of the Board of Directors shall be held, at a minimum, every other month at a time and location determined by the Board of Directors. The Board of Directors shall schedule periodic meetings of the general membership, to include all members of legislative bodies of member Cities.

Section 2. Notice and Meetings. The Agency is a legislative body for purposes of the Brown Act (Govt. Code 54950 *et seq*). Notice of the time and place of all regular meetings shall be given in writing by the Secretary/Treasurer or a designee to all members of the Board at least three (3) days prior to the meeting. Such notices may be sent by electronic mail. Notice of special meetings shall be given by the Secretary/Treasurer or a designee to all Board members at least one (1) day in advance and in the manner required by the Brown Act. The Secretary/Treasurer or designee shall be responsible for preparing and posting agendas of regular Board meetings at least 72 hours prior to the meeting and in compliance with the Brown Act.

Section 3. Quorum. A majority of the members of the Board of Directors shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the President.

Section 4. Voting. The affirmative vote of a majority of the members of the Board of Directors present at a meeting, rather than a majority of all of the Board of Directors' members, shall be sufficient for approval of a proposed action. Each member City shall have one vote.

Section 5. Rules of Order. Subject to the provisions of these By-Laws, the meetings of the Board of Directors shall be governed by Rosenberg's Rules of Order.

ARTICLE VI

COMMITTEES

Section 1. Standing Committees.

- a. **Executive Committee.** The Executive Committee shall act to accomplish, administer and facilitate the goals and the purposes of the Agency at the direction of the Board of Directors. As provided in Article 11 of the Agreement, the Executive Committee shall consist of the officers of the Board of Directors ; including the Immediate Past President, if still a Council Member or Mayor of a member City. If the Immediate Past President is no longer a Council Member or Mayor of a member City, a Director at Large may be appointed to the Executive Committee to fill the vacancy. The Director at Large shall be a Council Member or Mayor of a member City appointed by the President upon approval of the Board. The Vice Chair of the Legislative Action Committee shall be appointed to serve on the Executive Committee in the absence of the Chair of the Legislative Action Committee.
- b. **Legislative Action Committee.** The membership of the Legislative Action Committee shall consist of one representative from each member City. The representative shall be a Council Member or the Mayor. Each City shall also appoint an alternate to serve on the Legislative Action Committee in the absence of the designated representative. The alternate shall be a Council Member or the Mayor. Each member City, represented by either the representative or the alternate, shall have one vote. The representative of a member City who serves on the Board of Directors (or alternate to the Board) may also serve as the member City's representative to the Legislative Action Committee (or alternate to the Committee). The purpose of the Legislative Action Committee is threefold. First, the Committee would enable the Agency to advocate on issues of interest to Santa Clara County cities in an organized, effective manner and assist in the development of state-wide legislative policy through local and state government and CalCities. With respect to this advocacy and policy development, the Committee will submit its recommendations to the Board of Directors. If the Board accepts a

recommendation, the Chair of the Committee will transmit the Agency's position to the appropriate official, committee, or policy-making body. Second, the Committee would provide basic legislative information to cities with little or no legislative staff, upon request. Third, the Chair of the Committee and the Board President may organize emergency responses to urgent legislative issues, consistent with prior decisions made by the Board of Directors.

- c. City Selection Committee. The City Selection Committee shall have the membership and purposes set forth in Government Code sections 50270-50279.4 and shall be governed by the requirements of such sections. In accordance with state law, the membership of the City Selection Committee shall consist of the Mayor of each City in the County, whether or not any such City is a member of the Agency. When the Mayor is unable to attend a meeting of the City Selection Committee, the Mayor shall designate another member of the city's legislative body to attend and vote at the meeting as the Mayor's representative. Eight (8) votes are required to appoint representatives to boards, commissions or agencies.

Section 2. Other Committees Authorized.

- a. A nominating committee will be appointed as required and in accordance with the provisions of Article IV.
- b. The President, with the consent and approval of the Board of Directors, may appoint such committees as may be necessary from time to time, and designate the chair and the purpose of each such committee. Subject to the Board of Directors' consent and approval, any elected official of any member City shall be eligible to serve upon any such committee.

Section 3. Quorum. A majority of the members of each committee shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the Chair.

ARTICLE VII

FINANCES

Section 1. Budget. In accordance with Article 8.3.5 of the Agreement, on or before April 30 of each calendar year, the Board of Directors shall approve a budget for the Agency for the fiscal year commencing with July 1 of the same calendar year. A copy of the budget when approved and a copy of the final budget when adopted shall be transmitted to each member City.

Section 2. Significant Programs. In accordance with Article 15 of the Agreement, any program or activity that requires \$10,000 or more (as adjusted by CPI) in annual expenditures shall require approval by a two-thirds vote of the members of the Board of Directors. Any components of the annual operating budget proposed pursuant to Article VII, Section 1 that qualify as a significant program shall be subject to this two-thirds vote approval requirement,

whether those significant programs are proposed as a part of the annual operating budget or as a subsequent, mid-year budget adjustment.

Section 3. Dues. Each Member City shall pay to this Agency annual membership fees in accordance with a dues schedule adopted by the Board of Directors as part of the annual operating budget on or before April 30 of each year. Dues shall be for the fiscal year commencing July 1 and shall be an amount for each member City based upon the approved annual operating budget. The full amount shall be due and payable on or before July 1 of each year. Any City becoming a member of this Agency during a fiscal year shall pay the full dues for that year prior to exercising any rights of membership.

Section 4. Funds. All funds received by the Agency from the membership or any other source shall be deposited in a financial institution or institutions determined by the Secretary/Treasurer and disbursed only by persons designated by the Board of Directors as signers on the account including the Executive Director, the Secretary/Treasurer, and the President.

Section 5. Accounting. In accordance with Article 16 of the Agreement, every year, an audit of the Agency's finances shall be completed and copies thereof shall be filed with the Board of Directors and the County Auditor for Santa Clara County. Upon request, a complete written account of all receipts and disbursements during the previous year, showing the opening and closing balances shall be prepared by the Secretary/Treasurer or a designee. Copies thereof shall be made available to the Board of Directors. On a quarterly basis, bank and reconciliation statements shall be reviewed and approved by the Secretary/Treasurer. Quarterly reports of accounting and investments shall be prepared and made available to the Board of Directors by the Secretary/Treasurer or a designee.

ARTICLE VIII

ADOPTION AND AMENDMENTS

Section 1. Adoption. These Bylaws shall become effective upon the affirmative vote of a majority of the Board of Directors present and voting.

Section 2. Amendments. These Bylaws may be amended only in the following manner: Proposed amendments shall be submitted in writing to the Board of Directors for approval, and if approved, shall thereafter be submitted in writing to each member City of the Agency at least thirty (30) days before action thereon is required by the membership. An affirmative vote of the majority of the Board of Directors present and voting shall be required for approval.

Written Communications Item 8 Today: Please Agendize an Item for the October Meeting

From Kitty Moore <KMoore@cupertino.gov>

Date Thu 9/25/2025 1:09 PM

To Shali Sirkay <shali@citiesassociation.org>; Larry Klein <mayorklein@sunnyvale.ca.gov>

Cc Liang Chao <LChao@cupertino.gov>; Floy Andrews <FloyA@cupertino.gov>

Dear SCCCA President Klein and the Executive Committee,

The following is a request for the Executive Committee Agenda Item 8, September 25, 2025:

I respectfully request that potential revisions to the Cities Association of Santa Clara County Bylaws be agendized for the next October 9, 2025 meeting of the Board of Directors. This item will be on the Cupertino City Council agenda October 7, 2025 and the agenda including specifics for the item will be published October 1, 2025.

Thank you very much,

Kitty Moore



Kitty Moore

Vice Mayor

City Council

KMoore@cupertino.gov

(408) 777-1389





MAYOR LIANG CHAO
lchao@cupertino.gov

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3192 • FAX: (408) 777-3366
CUPERTINO.GOV



MEMO TO THE CITIES ASSOCIATION OF SANTA CLARA COUNTY BOARD OF DIRECTORS

Meeting: November 13, 2025

From: Liang Chao, Mayor, City of Cupertino

Subject: Proposed Amendments to the CASCSC Joint Powers Agency Agreement and Bylaws to Strengthen Democratic Representation and Ensure Consistency with JPA Principles

Introduction

The Cupertino City Council appreciates that this item has been scheduled for the November 13, 2025 CASCSC Board of Directors meeting, providing all member cities the opportunity to review and discuss proposed amendments intended to strengthen democratic representation, ensure accountability to member cities, and align CASCSC practices with the principles of local control set forth in the Joint Powers Agency Agreement.

At its regular meeting on October 7, 2025, the Cupertino City Council approved, by a 3-2 vote (Chao, Moore, and Wang – Yes; Fruen and Mohan – No), a proposal to amend the Joint Powers Agency Agreement (JPA) and Bylaws of the Cities Association of Santa Clara County (CASCSC). These actions were taken to strengthen democratic representation and improve consistency between the JPA's stated principles and its current operational practices.

Recommended Action (Adopted by the Cupertino City Council on October 7, 2025)

That the Cities Association of Santa Clara County amend its Joint Powers Agency Agreement and Bylaws to:

1. Require that all Executive Officer offices be held by member cities, not by individual council members, and that all Executive Officers be appointees or alternates to the Board of Directors (the Board);
2. Require that the members of the Legislative Action Committee (the LAC) elect that committee's chair from its membership; and
3. Remove the Bylaw provision setting the time for annual elections of Executive Officers in November or soon after.

Current JPA Agreement and Bylaws

The CASC is a regional body comprised of fifteen cities in Santa Clara County. In January 2024, the member cities adopted a Joint Powers Agency Agreement (“JPA”), thereby converting the prior unincorporated association into a Joint Powers Agency.

The stated goals of the JPA include, among others:

- building consensus on regional issues;
- providing a unified voice for member cities in legislative and policy advocacy; and
- respecting the principle of local control.

The current JPA and Bylaws specify the following:

1. The Board of Directors (“Board”) consists of one member appointed by each member city.
2. The Board shall elect the five Officers to serve on the Executive Committee (“EC”): President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President.
3. The President must be a member of the Board.
4. At least two Officers must be members of the Board.
5. The remaining Officers may be any Councilmembers from a member city, regardless of whether their city has appointed them to the Board to represent their city.
6. The LAC shall be chaired by the Second Vice President, and its members shall be appointed by the member cities.
7. The Board shall elect the Officers at the November Board meeting or the first meeting held on or after November 1 of each year. (Art. IV, Section 2(b).)

Issues with the Current Agreement and Bylaws

The current practices are inconsistent with the stated democratic goals of JPA to represent member cities. Specifically, these provisions are concerning:

1. Two Officers on the EC are not required to be appointed by any member city at a public meeting through democratic vote by their home city councils.
2. The LAC Chair, designated as the Second Vice Chair, is not required to be appointed by any member city to either the Board nor to the LAC. The LAC could have two councilmembers from one member city, with one serving as the Chair.
3. The LAC Chair, who is not required to be appointed by any member city, has the power to determine what bills to put on the agenda to discuss and provide narrative descriptions of the bills.
4. Two members of the LAC may be from the same member city. This practice creates conflicts with the “one representative from each member City” rule provided in the Bylaws (Art. VI, Section 1(b).)

5. The election of Executive Officers occurs each November, when the member cities usually appoint their representatives to the Board in late December or January.

For example, in the 2025 EC, two Executive Officers—the Second Vice President/LAC Chair and the Treasurer—are not appointed by their city councils to represent them on the Board. As a result, two cities (Campbell and Cupertino) have one councilmember serving on the EC and another member representing them on the Board of Directors. **This situation could occur in any year to any city whenever a councilmember is selected to the EC without the consent of their City Council to represent them on the CASC Board.**

Proposed Amendments to the JPA and Bylaws

We propose the following changes to the JPA and Bylaws to ensure that the Officers of CASC and the LAC Chair consist of members appointed by each Agency Member at a public meeting to better align with the democratic goal of the CASC.

1. **Executive Committee Membership**

Amending Article 10 of the JPA to require all Executive Officer offices be held by member cities, not by individual council members, and that all Executive Officers be appointees or alternates of the Board appointed by member cities.

2. **Legislative Action Committee Chair**

Amending Article 12 of the JPA to require the LAC members to elect its own Chair from among the LAC members appointed by each city to represent them.

3. **Election Timing**

Eliminating the requirement to elect Officers for the EC in November or soon after. The Board should have the flexibility to set election dates in a manner consistent with the appointments for the Board by member cities.

Analysis of the Proposed Changes

1. **Executive Committee Composition and Representation**

One challenge has been that there might be vacancies on the EC in December due to changes in each city council. The requirement that all Executive Officer offices be held by member cities, not by individual council members, mitigates this challenge since each city already appoints an alternate and can make appointments as needed to maintain the stability of its representation.

Historic EC Rotation Chart

Year	Pres	1st VP	2nd VP	Treas/At-Large	Past Pres	LAC
2025	Klein, SV	Walia, SA	Fruen, CU	Scozzola, CA	Fligor, LA	Fruen, CU
2024	Fligor, LA	Klein, SV	Walia, SA	Wei, CU	Abe-Koga, MV	Walia, SA
2023	Abe-Koga, MV	Fligor, LA	Klein, SV	Walia, SA	Wei, CU At-large	Klein, SV
2022	Jones, SJ	Abe-Koga, MV	Fligor, LA	Constantine, MH	Sayoc, LG	Fligor, LA
2021	Sayoc, LG	Jones, SJ	Abe-Koga, MV	Fligor, LA	Klein, SV	Constantine, MH
2020	Klein, SV	Sayoc, LG	Jones, SJ	Constantine, MH	Chappello, SA	Fligor, LA
2019	Cappello, SA	Showalter, MV	Klein, SV	Sayoc, LG	Jones, SJ	Sinks, CU
2018	Sinks, CU	Cappello, SA	Showalter, MV	Klein, SV	Scharff, PA	Sayoc, LG
2017	Scharff, PA	Sinks, CU	Cappello, SA	Pepper, LA	Griffith, SV	Showalter, MV
2016	Griffith, SV	Scharff, PA	Sinks, CU	Cappello, SA	Baker, CA	Pepper, LA

The current unwritten practice of the EC is that each year one new member is added to the committee as the Treasurer and then other members move up one position in the order of Treasurer, 2nd VP, 1st VP, President and Immediate Past President.

In the 2025 EC, two Executive Officers—the Second Vice President/LAC Chair and the Treasurer—are not appointed by their city councils to represent them on the Board. As a result, two cities (Campbell and Cupertino) have one councilmember serving on the EC and another member representing them on the Board of Directors. This situation could occur in any year to any city whenever a councilmember is selected to the EC without the consent of their City Council to represent them on the CASC Board. The proposed change would ensure fair representation for all cities..

2. Selection of the Legislative Action Committee Chair

The current unwritten practice of the EC is that each year one new member is added to the committee as the Treasurer and then other members move up one position in the order of Treasurer, 2nd VP, 1st VP, President and Immediate Past President. **Thus, the Second Vice President, serving as the LAC Chair, may or may not have expertise in legislation and may or may not be appointed by their city council to represent them on the LAC.** The proposed change would ensure that the LAC Chair is appointed by their city to represent their city, and being elected by the LAC members to serve makes sure that the Chair has the expertise to serve as chair as determined by the LAC members.

3. Timing of Executive Committee Elections

If there is a desire to continue to elect the Officers in November, the member cities might consider making appointments to the Board for the next year before the November election for the CASC Officers to allow certainty that the elected Officers would be members of the Board the following year.

To model best practices, we choose to make the appointment to the CASC for the 2026 term, beginning in January 2026, in October 2025. And we express our support for the application of Vice Mayor Kitty Moore to serve as one of the Officers on the EC, ahead of the November election, to show that the Officers have the support of the member city in a resolution adopted at a public meeting.

Attachments

1. **Resolution No. 25-083:** Requesting Amendments to the CASC Joint Powers Agency Agreement and Bylaws
2. **Attachment C:** *Redlined Joint Powers Agency Agreement for the Cities Association of Santa Clara County* (effective January 26, 2024)
3. **Attachment D:** *Redlined Bylaws of the Cities Association of Santa Clara County Joint Powers Agency* (approved May 9, 2024)
4. **Resolution No. 25-084:** Appointing Councilmember Kitty Moore to the CASC Board of Directors for the 2026 Term and Supporting Her Candidacy for the Executive Committee

Prepared by:



Liang Chao, Mayor
City of Cupertino

RESOLUTION NO. 25-083

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO REQUESTING AMENDMENTS TO THE JOINT POWERS AGENCY AGREEMENT AND BYLAWS OF THE CITIES ASSOCIATION OF SANTA CLARA COUNTY TO ENSURE FAIR AND DEMOCRATIC REPRESENTATION

WHEREAS, the City of Cupertino is committed to promoting transparency, accountability, and democratic representation in all regional and intergovernmental bodies in which it participates, including the Cities Association of Santa Clara County ("CASCC").

WHEREAS, in January 2024, a Joint Powers Agency Agreement ("JPA") became effective, and reorganized the prior unincorporated association into a Joint Powers Agency. A copy of the JPA is attached as Exhibit A. In May 2024, the CASCC adopted Bylaws pursuant to Article 26 of the JPA. A copy of those Bylaws is attached as Exhibit B.

WHEREAS, the City of Cupertino, as a member agency of the CASCC, is concerned that certain provisions of the JPA undermine the fair and democratic representation of its member cities.

WHEREAS, the JPA sets forth as among its goals the development of consensus positions on issues of regional concern, the advancement of a unified legislative voice on behalf of its members, and respect for local control.

WHEREAS, the City Council of Cupertino finds that certain provisions of the JPA and Bylaws are inconsistent with those goals and create opportunities for undemocratic practices that concentrate unchecked decision-making authority in the CASCC Executive Committee.

A. Executive Committee Membership

WHEREAS, the JPA allows two of its five Executive Committee members to serve regardless of whether those two members were appointed by their city councils as either Directors or alternates to the organization's Board of Directors,

thereby permitting two individuals to hold Executive Officer positions without a direct mandate from their home cities' governing bodies.

WHEREAS, this structure enables certain individuals to act as Executive Officers on behalf of their cities without having been appointed by, or accountable to, their city's city councils, contrary to principles of representative governance.

WHEREAS, this issue can be remedied by amending Article 10 of the JPA to ensure 1) that Executive Officer offices are held by member cities, not by their individual council members or appointed directors, and 2) that all Executive Officers be members or alternates to the Board of Directors, all of whom must be appointed by their respective city councils, pursuant to Article 8 of the JPA.

B. Legislative Action Committee Chair

WHEREAS, the Legislative Action Committee ("LAC") is comprised of one representative from each member agency (JPA, Art 12; Bylaws Article VI, Section 1(b)), but these representatives do not elect the Chair of the LAC from its membership. Instead, the JPA automatically designates the Chair of the LAC is to be held by the Second Vice Chair of the Executive Committee. (JPA, Art. 12.)

WHEREAS, the Second Vice Chair is not required to be and often is not a member or alternate of the Board of Directors, and therefore has not necessarily been appointed by their city council, yet still the Chair exercises significant legislative agenda-setting authority on behalf of CASSC.

WHEREAS, this structure also conflicts with Article 12 of the JPA and Article VI, Section 1 (b) of the Bylaws, both of which provide that no more than one representative from each jurisdiction shall serve on the LAC, a rule undermined when a member city has both its appointed representative as a member of the LAC, as well as its Second Vice Chair serving as the Chair of the LAC.

C. Election Timing

WHEREAS, Article IV, Section 2(b) of the Bylaws requires elections for Executive Officers occur in November of each year, a schedule that may conflict

with the seating of newly elected or re-elected city councilmembers in many jurisdictions.

WHEREAS, this restriction is unnecessary, as the Board of Directors is capable of establishing election timelines without a rigid calendar requirement.

NOW, THEREFORE, BE IT RESOLVED,

That the City Council of the City of Cupertino hereby requests that the Board of Directors of the Cities Association of Santa Clara County amend its Joint Powers Agency Agreement and Bylaws as follows:

1. Amend Article 10 of the JPA to require that all Executive Officer offices are held by member cities, not by individual council members or appointed directors, and that all Executive Officers be appointees or alternates to the Board of Directors.
2. Amend Article 12 of the JPA to provide that the Chair of the Legislative Action Committee shall be elected by and from the duly appointed representatives of the LAC, consistent with the one-representative-per-jurisdiction rule of Article 12 of the JPA, and Article VI of the Bylaws.
3. Amend Article VI, Section 2(b) of the Bylaws to eliminate the November requirement for Executive Officer elections, and instead permit the Board of Directors to set election timelines that align with member agencies' council seating schedules.

BE IT FURTHER RESOLVED,

That the City Council of the City of Cupertino directs the Mayor, or the Mayor's designee, to transmit this Resolution and its attached Exhibits A and B, along with a cover letter introducing these changes, to the Cities Association of Santa Clara County for discussion and action at the October 9, 2025 meeting of its Board of Directors.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of October, 2025, by the following vote:

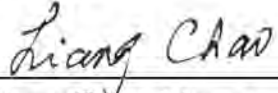
Members of the City Council

AYES: Chao, Moore, Wang

NOES: Fruen, Mohan

ABSENT: None

ABSTAIN: None

SIGNED:  _____ Liang Chao, Mayor City of Cupertino	10/21/2025 _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	10/21/2025 _____ Date

JOINT POWERS AGENCY AGREEMENT FOR CITIES ASSOCIATION OF SANTA CLARA COUNTY

This Joint Powers Agreement ("Agreement" or "JPA") for the Cities Association of Santa Clara County is entered into by and among the cities ("Members"), which are organized and existing under the Constitution and laws of the State of California in which public agencies are located in the County of Santa Clara, and upon approval and full execution of the Agreement, creates the Cities Association of Santa Clara County Joint Powers Agency ("Agency").

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 *et seq.*) permit two or more public agencies by agreement to jointly exercise powers common to the Members; and

WHEREAS, the public agency Members executing this JPA are cities or towns within the jurisdiction of the County of Santa Clara ("County"); and

WHEREAS, the Cities Association of Santa Clara County has existed as an unincorporated association since 1990 and desires to formalize the relationship between its City and Town members and form a Joint Powers Agency in order to carry out activities for the good of all its Members; and

WHEREAS, the Members executing this Agreement, desire to join together to create a separate Joint Powers Agency for the purpose of promoting cooperation among the Members; advocating for positive action; enhancing the quality of life for the residents of the County and their individual cities; and encouraging other joint and cooperative endeavors among the public agencies for their mutual benefit.

NOW, THEREFORE, the Parties agree to the following:

AGREEMENT

ARTICLE 1 - DEFINITIONS

- 1.1 "Associate Member" shall mean any non-city local agency, located within jurisdictional authority of the County of Santa Clara, and shall have duly executed and delivered to the Agency an Associate Membership Agreement in the form of and as further provided in the Bylaws of the Agency, as further provided in Article 32 herein.
- 1.2 "Agency" shall mean the Cities Association of Santa Clara County Joint Powers Agency created by this Agreement.
- 1.3 "Board of Directors" or "Board" shall mean the governing body of the Agency.
- 1.4 "Executive Committee" shall mean the Executive Committee of the Board of Directors of the Agency.

- 1.5 "Fiscal Year" shall mean that period of twelve (12) months which is established by the Board of Directors or the Bylaws as the fiscal year of the Agency, which shall run from July 1 to June 30 of each year.
- 1.6 "Government Code" shall mean the California Government Code, as amended.
- 1.7 "Joint Powers Law" shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code, known as the Joint Exercise of Powers Act, as amended.
- 1.8 "Legislative Body" shall mean the legislative board of each Public Agency that is a Member of the Agency.
- 1.9 "Member" shall mean any city which has executed this Agreement and has become a member of the Agency. The complete list of Members is set forth in Exhibit "A" attached hereto and incorporated herein by this reference.
- 1.10 "Parties" shall mean Members or Associate Members who are party to this Agreement.
- 1.11 "Public Agency" shall mean public agency as defined in Government Code Section 6500, as amended.
- 1.12 Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neutral gender shall be construed to include each other gender, when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions herein shall be construed to effectuate the purposes set forth and to sustain the validity of those purposes.

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;
 - 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
 - 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
 - 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;

- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
- 2.1.9 Strengthen the Members' and Agency's standing at the regional, State and Federal level;
- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

ARTICLE 3 - PARTIES TO AGREEMENT

Each Member, as a Party to this Agreement, intends to and does contract with all other Members as Parties to this Agreement and, with other Public Agencies as may later be added as Parties to this Agreement pursuant to the Joint Powers Law. The withdrawal of any party from this Agreement, pursuant to Article 20, shall not affect this Agreement or the remaining Members' obligations.

ARTICLE 4 - FORMATION; TERM

This Agreement shall become effective when fully executed and returned to the Agency by at least eight (8) Members, but only as to those Members that have executed the Agreement. The Agency shall promptly notify all Members in writing of the effective date. After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar joint powers authority, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5 - CREATION OF THE AGENCY

Pursuant to the Joint Powers Law, there is hereby created a public entity, separate and apart from the Parties hereto, to be known as the "Cities Association of Santa Clara County Joint Powers

Agency" with powers as are set forth herein. Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist.

ARTICLE 6 - POWERS OF THE AGENCY

6.1 Subject to the terms of this agreement, the Agency shall have all of the powers of a public agency as defined in the Government Code Section 6500 as amended and all additional powers set forth in the Joint Powers Law and other statutes applicable to the Joint Powers Agency created hereby and is authorized to do all acts necessary for the exercise of these powers on behalf of its Members. Powers include, but are not limited to, the following, in the Agency's own name:

- 6.1.1 To make and enter into contracts;
- 6.1.2 To incur debts, liabilities, and obligations and to encumber personal property;
- 6.1.3 To acquire, hold, or dispose of personal property, contributions, and donations of personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;
- 6.1.4 To sue and be sued in its own name, and to settle any claim against it;
- 6.1.5 To receive and use contributions and advances from Members as provided in Government Code Section 6504, as amended including contributions or advances of personnel and equipment;
- 6.1.6 To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5, as amended;
- 6.1.7 To acquire, construct, manage, maintain, or operate title to personal property, or rights, or any interest therein;
- 6.1.8 To retain the services of agents, contractors, and consultants;
- 6.1.9 To receive, collect, and disburse monies;
- 6.1.10 To conduct studies, tests, evaluations, and similar activities;
- 6.1.11 To contract for services from Members, including in-kind services;
- 6.1.12 To conduct public outreach and education;
- 6.1.13 To participate in pilot and demonstration projects;
- 6.1.14 To charge for services, programs, and/or systems;
- 6.1.15 To work with elected officials and local, regional, state, and federal agencies, including other joint powers agencies and unincorporated associations to pursue funding, enter agreements and otherwise carry out the purposes of the Agency; and

- 6.1.16 Subject to this Agreement or the Bylaws of the Agency, and only as authorized by the Joint Powers Law, to exercise other reasonable and necessary powers in furtherance or support of any purpose of the Agency.

ARTICLE 7 - RESTRICTIONS ON POWERS

- 7.1 Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.
- 7.2 The Agency shall not have the power of eminent domain.
- 7.3 The Agency shall not have the power of taxation. The Agency may not impose taxes but may receive the proceeds of taxes imposed by other entities or public funds from other entities.
- 7.4 The Agency shall not have the power to acquire, purchase, hold or dispose of real property.
- 7.5 The Agency shall not have the power to hire employees.
- 7.6 The Agency shall not have the power to issue debt.

ARTICLE 8 - BOARD OF DIRECTORS

- 8.1 The Agency shall be governed by the Board of Directors, which shall be composed of one Director representing each Member. Each Member's Legislative Body, according to its own procedures, shall appoint a Member of the Legislative Body as a Director to represent the Member on the Board of Directors. The Director shall serve at the pleasure of their respective Legislative Body. The Legislative Body of each Member shall also appoint one alternate Director ("Alternate") who shall participate in and vote at any meeting of the Board when the primary Director is absent. Any vacancy in a Director or Alternate position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member, the new Member shall be entitled and required to appoint a Director and one alternate Director. Every Director or Alternate shall be a Council Member or Mayor of their individual Member city.
- 8.2 A Director and/or Alternate shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Agency receives written notice from the appointing Member of the removal and/or replacement of the Director or Alternate; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the Director or Alternate; (4) the Agency receives written notice from the Member that the Director or Alternate is no longer qualified as provided in the first paragraph of this Article 8; or as set forth in Article 21.

- 8.3 The Board of Directors shall have the following powers and functions:
- 8.3.1 Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Agency, either directly or by delegation to other bodies or persons;
 - 8.3.2 The Board shall elect an Executive Committee, as provided in Article 11;
 - 8.3.3 The Board shall be the policy setting body of the Agency;
 - 8.3.4 The Board shall appoint or retain the services of necessary agents, consultants, or independent contractors in accordance with Article 14;
 - 8.3.5 The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Agency. Adoption of the budget may not be delegated. The Board shall adopt their budget no later than the first April 30th following formation and then subsequently by April 30th of each successive year. The Board shall review, set, and adopt annual dues to be funded by Agency Members;
 - 8.3.6 The Board shall receive, review and act upon periodic reports and audits of the funds of the Agency, as required under Article 16 of this Agreement;
 - 8.3.7 The Board may adopt policies regarding personnel, conflicts of interest and other matters necessary or convenient for the efficient operation of the Agency;
 - 8.3.8 The Board shall adopt a set of priorities and work plan for each fiscal year; and
 - 8.3.9 Subject to the terms of this Agreement, the Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Agency.

ARTICLE 9 - MEETINGS OF THE BOARD OF DIRECTORS

- 9.1 The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution, or in the Bylaws, the date, time, and location of each regular meeting. The Board or Executive Director, in consultation with the President of the Board as provided in Article 10 below, may call special meetings.
- 9.2 Each meeting of the Board of Directors, including without limitation, regular, adjourned regular and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.
- 9.3 The Agency shall require the Secretary/Treasurer or designee to take and maintain minutes of all regular, adjourned regular and special meetings. As soon as practicable after each meeting, the Secretary/Treasurer or designee shall forward to each Board Member, a copy of the minutes of the meeting.
- 9.4 A majority of the Members of the Board shall constitute a quorum for the transaction of business. Unless otherwise required by law, a vote of the majority of a quorum of the members

present at a meeting is sufficient to take any action, unless otherwise specified in this Agreement. However, less than a quorum may adjourn the meeting to a future date.

9.5 Each Member of the Board shall have one vote.

ARTICLE 10 - OFFICERS

The Board shall elect as Officers of the Agency President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Agency, the Board shall elect the President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President, at the November Board of Directors meeting, or the first meeting held on or after November 1 of each year. ~~All Of the Officers, the President, and at least two other Officers, Officers-Directors~~ must also be members of the Board of Directors or alternates to the Board of Directors. ~~The remaining Officers may be the elected or appointed Mayor or Council Member of any Member of the Agency regardless of whether they are on the Board of Directors.~~ Each Officer shall assume the duties of his or her office upon election. If ~~the Presidentany Officer~~ ceases to be a Member or alternate of the Board, the resulting vacancy shall be filled by the alternate from thate City,at the next meeting of the Board held after the vacancy occurs, or at a special meeting of the Board called to fill the vacancy. The President shall preside at and conduct all meetings of the Board. Should the Board President not be available then the highest-level Officer, ~~who is a member of the Board of Directors,~~ shall preside. If that individual is unavailable, then ~~any Director appointed by the President may~~ the next highest level Officer shall preside. The Board may appoint other officers as it considers necessary. The duties of the Secretary/Treasurer are set forth in Articles 16 and 17 of this Agreement. The Secretary/Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Secretary/Treasurer, as provided in the Joint Powers Law.

ARTICLE 11 - EXECUTIVE COMMITTEE

At such time as there are nine Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of three (3) Officers consisting of the President, First Vice President, and Secretary/Treasurer, which shall exist thereafter. At such time as there are 11 Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of five (5) Officers, with the addition of the Immediate Past President, which shall exist thereafter. Should the Immediate Past President no longer hold elected office then a Member at Large may be appointed by the Board to serve on the Executive Committee. The qualifications of the Member at Large are that they must be an elected or appointed Mayor or Council Member of a Member of the Agency but need not be on the Board of Directors. The terms of office of the Members of the Executive Committee shall be one year. The Executive Committee shall conduct the business of the Agency between meetings of the Board, exercising all those powers as provided for in this Article, or as otherwise delegated to it by the Board.

The Executive Committee, subject to approval by the Board of Directors, shall exercise all powers or duties of the Board relating to the entering, approval and execution of agreements, leases, and other instruments of or relating to the finances of the Joint Powers Agency within the previously

approved annual budget or amended budget. The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency's annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall obtain approval from the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee. Each meeting of the Executive Committee shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 12 - COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Agency or it may, in the Bylaws or by resolution, delegate this power to the Executive Committee by Resolution. Members of committees, except as otherwise stated in this Agreement, shall be appointed by the President. Each committee shall have those duties as determined by whichever Agency body created it or as otherwise set forth in the Bylaws. Each committee shall meet on the call of its chairperson and shall report to and be directed by whichever entity created it. No more than one representative from each jurisdiction shall serve on each committee. Membership of any committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate decision-making powers and duties only to a committee, a majority of the members of which are Board Members. Any committee, except the City Selection Committee, in which a majority of the members are not Board Members may function only in an advisory capacity. The Legislative Action Committee shall be a permanent Committee of the Agency ~~chaired by the Second Vice President whose chair shall be democratically elected by its membership~~ and whose members shall be appointed by the Agency Members. ~~Should there be no Second Vice President, the Legislative Action Committee shall be chaired by the First Vice President.~~ All standing committees shall abide by the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 13 - CITY SELECTION COMMITTEE

The City Selection Committee is established pursuant to State law and the Agency shall administer the City Selection Committee as follows: The City Selection Committee shall be a permanent committee of the Agency, consisting of the Mayor of each City or Town, consistent with Government Code 50270, as amended. The Agency shall allow all cities in the County to participate in the City Selection Committee, whether or not they are members of the Agency.

ARTICLE 14 - PROFESSIONAL SERVICES

14.1 The Board of Directors may contract with individuals or companies to provide the following services at the pleasure of the Board of Directors:

- 14.1.1 Executive Director. The Board shall contract with a consultant or independent contractor to fulfill the following duties of an Executive Director: manage the affairs of the Agency, subject to the general supervision and policy direction of the Board and the Executive Committee; oversee the day-to-day activities of the Agency; select and manage the activities of all consultants and independent contractors to the Agency; be responsible for required filings by the Agency with the State of California; prepare or delegate the preparation of all meeting notices, minutes, and required documentation of the Agency; prepare and propose an annual budget; prepare reports and recommendations for consideration by the Executive Committee or Board; be responsible for billing and collection of annual dues; maintain the records of the Agency; assist Local Agencies in the preparation and filing of applications for participation in the financing programs of the Agency; expedite the processing of these applications; pay all invoices, taxes and amounts due; and perform other duties as are assigned by the Board and Executive Committee. The Executive Director may have the authority to sign agreements, applications, and other documents on behalf the Agency, if authorized by the Board or Executive Committee. The Executive Director shall have the Authority to enter into individual Agreements with a single vendor over the course of a fiscal year, on behalf of the Agency, up to the amount set by the Bylaws.
- 14.1.2 General Counsel. The Board shall contract with a consultant, independent contractor, or law firm to fulfill the duties of General Legal Counsel. The General Counsel shall take direction from the majority of the Board of Directors. The General Counsel shall be a member in good standing of the California State Bar. The General Counsel shall be responsible for the legal affairs of the Agency;
- 14.1.3 Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual financial audits of the Agency;
- 14.1.4 Other services. The Executive Director may hire additional consultants and independent contractors, as appropriate, based upon a previously approved budget;
- 14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System ("PERS"), nor shall any agent, consultant or independent contractor of the Agency become a member of PERS or be entitled to a pension or retirement from PERS as a result of service to the Agency; and
- 14.1.6 The consultants and independent contractors fulfilling the duties of Executive Director, the Auditor, the General Counsel and any other consultants or independent contractors who provide services to the Agency shall be compensated in such manner as shall be approved by the Board and as permitted by applicable law.

ARTICLE 15 - SIGNIFICANT PROGRAMS

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. If the Board deems it necessary, it may

appoint a working committee to study the significant program or activity and provide input to the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$10,000 or more in annual expenditures; this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into a specific program or project Agreement that includes relevant terms regarding the particular affected Members, and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These limited scope Agreements shall be subject to approval by the Board by a two-thirds vote of the Members.

ARTICLE 16 - ACCOUNTS AND RECORDS

- 16.1 The Agency shall adopt an operating budget pursuant to Section 8.3.5 of Article 8 of this Agreement.
- 16.2 The Secretary/Treasurer of the Agency or the Executive Director shall establish and maintain funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Agency shall be open to and made available for inspection at all reasonable times upon request by authorized representatives of the Members.
- 16.3 The Agency shall adhere to the standard of strict accountability for funds and report all receipts and disbursements as set forth in the Joint Powers Law.
- 16.4 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 the prior Fiscal Year to the Board.
- 16.5 The Agency shall either make or contract with a Certified Public Accountant to make an annual Fiscal Year audit of all accounts and records of the Agency, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed as a public record and be provided to each of the Members, and with the County Auditor of the County of Santa Clara. Costs of the audit shall be considered a general expense of the Agency. Any costs of the audit shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for this purpose.

ARTICLE 17 - RESPONSIBILITIES FOR FUNDS AND PROPERTY

- 17.1 The Secretary/Treasurer, or his or her designee, shall have the custody of and disburse the Agency's funds. Proceeds of similar obligations of the Agency may be deposited with a trustee, agent or other depository and shall not be considered the Agency's funds for purposes of this Article. The Secretary/Treasurer may delegate disbursements to persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of Section 17.2 below.

- 17.2 The Secretary/Treasurer or designee shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Secretary/Treasurer shall review the financial statements and the annual audit of the Agency.
- 17.3 Pursuant to Government Code Section 6505.1, as amended, the Executive Director, the Secretary/Treasurer, and other persons as the Board may designate, shall have charge of, handle, and have access to the property of the Agency. The Agency shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in a form specified by the Board of Directors, covering any officers or agents of the Agency who are authorized to hold or disburse funds of the Agency and any officers or agents who are authorized to have charge of, handle and have access to property of the Agency.

ARTICLE 18 - MEMBER RESPONSIBILITIES

- 18.1 Each Member shall have the following responsibilities:
- 18.1.1 To appoint its Director and Alternate to, or remove its Director and Alternate, from the Board, as set forth in Article 8;
- 18.1.2 To consider proposed amendments to this Agreement as set forth in Article 29;
- 18.1.3 To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement; and
- 18.1.4 If a Member provides written notice to the Agency of its election to relinquish its status as a Member, or if a Member fails to be represented at four (4) or more consecutive regular meetings of the Board of Directors, then that Member may be deemed to be a suspended Member, with all the rights and duties of an Associate Member, upon action of the Board of Directors duly adopted. Prior to the suspension, the President shall contact the Mayor and request that another Council Member be appointed or that reinstatement for the current Member be requested. The suspension shall be approved by the Board of Directors. Promptly following that action by the Board of Directors, the Member may be reinstated by informing the Board of its intent to be reinstated within thirty (30) days and to attend all future meetings either via the Director or Alternate. Removal of a Member for failure of the Director to attend meetings shall not relieve the Member from its obligations under any outstanding agreements relating to the Agency's financial obligations, except in accordance with this Agreement.

ARTICLE 19 - NEW MEMBERS

With the approval of the Board, any city located within the County of Santa Clara may become a party as a Member to this Agreement. A city requesting membership shall apply by presenting to the Agency, a resolution of the Legislative Body of the City, evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board. The Agency shall

accept new Members upon a majority affirmative vote of the entire Board and upon payment of any Board determined assessments and fees.

ARTICLE 20 - WITHDRAWAL

A Member may terminate its membership in the Agency at any time upon giving one hundred and eighty (180) days written notice of withdrawal to the Agency. The notice shall be given to the Board of Directors. The effective date shall be the conclusion of the first Board Meeting which occurs after the one hundred and eighty (180) day notice period has passed. Any Member who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations incurred or accrued through the end of the current fiscal year of the Agency. The withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Agency then in effect. In the event of a disagreement between the Agency and the withdrawing Member as to whether the withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Agency, the determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Agency shall provide funds to the Agency, proportionate to their responsibility for the current fiscal year, as if the Member had never left the Agency. A withdrawing Member shall, in all events, remain liable for its proportionate share of: (i) its full amount of its proportionate share of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Agency prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time of the notice of withdrawal.

ARTICLE 21 - REMOVAL

If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can remove the Director and request that the Member who appointed the Director appoint a new Director. The Board may, by two-thirds majority vote of the entire Board, remove a Member based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement as described above. Failure to pay dues within 60 days following notice shall result in a Member becoming suspended with all the rights of an Associate Member. A suspended Member shall immediately have its voting rights restored upon full payment of dues.

ARTICLE 22 - OBLIGATIONS OF AGENCY

The debts, liabilities, and obligations of the Agency shall not be the debts, liabilities, and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency. Nothing in this Agreement shall be interpreted to limit the applicability of the provisions of Government Code Section 895.6.

ARTICLE 23 - TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no financial obligations of the Agency are outstanding, with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Agency shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties to this Agreement, in accordance with the respective contributions of each of the Parties.

ARTICLE 24 - LIABILITY OF BOARD OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS

- 24.1 The Members of the Board of Directors, Officers, and Committee Members of the Agency 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 individually liable for any mistake of judgment, or any other action made, taken, or omitted by them in good faith, nor for any act or omission by any agent, consultant or independent contractor selected with reasonable care, nor for loss incurred, resulting from any action made, taken, or omitted by them in good faith and with reasonable care through investment of Agency funds, or failure to invest.
- 24.2 No Director, Officer, or Committee Member shall be responsible for any act or omission of any other Director, Officer, or Committee Member. Unless otherwise required by law, no Director, Officer, or Committee Member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.
- 24.3 The funds of the Agency shall be used to defend, indemnify, and hold harmless the Agency for any Director, Officer, or Committee Member, for their actions taken within the scope of the Agency. Nothing herein shall limit the right of the Agency to purchase insurance to provide coverage for these types of losses.
- 24.4 These indemnification and defense obligations shall survive the termination of the Agreement as to any acts or omissions occurring before such termination.

ARTICLE 25 - INDEMNIFICATION

To the fullest extent allowed by law, the Agency shall defend, indemnify, and save harmless the Members and their governing bodies, officers, agents and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Agency or the activities undertaken pursuant to this Agreement.

ARTICLE 26 - BYLAWS

The Board shall adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Agency. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Agency.

ARTICLE 27 - NOTICES

The Agency shall address notices, billings, and other communications to a Member as directed by that Member. Each Member shall provide the Agency with the email and physical address to which communications are to be sent. Members shall address notices and other communications to the Agency, at the office address of the Agency, or the email address of the Agency as directed by the Member and as set forth in the Bylaws.

ARTICLE 28 - CODES

The Agency shall adopt and observe a Code of Conduct and Conflict of Interest Policy. The Agency shall comply with all requirements of the Fair Political Practices Commission as required by law or regulation.

ARTICLE 29 - AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of the approval of the amendment by two thirds of the Legislative Bodies of the Members.

ARTICLE 30 - SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected.

ARTICLE 31 - 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 Agency. This Agreement shall be binding upon and shall inure to the benefit of successors of the Members. This Agreement is intended solely for the benefit of the

Agency and its Members. No third party shall be deemed a beneficiary of this Agreement or have any rights against the Agency or its Members.

ARTICLE 32 - ASSOCIATE MEMBERS

Any Public Agency located within the jurisdictional authority of the County of Santa Clara may, with the approval of the Board of Directors, become an Associate Member of the Agency by executing and delivering to the Agency an Associate Membership Agreement and providing an Associate Membership fee and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors, or to vote on any matter coming before the Board of Directors or the Agency, unless a separate written agreement is entered into between the Associate Member and the Agency.

ARTICLE 33 - LIBERAL CONSTRUCTION

The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Agency.

ARTICLE 34 - NON-WAIVER

No waiver of the breach of default of any of the covenants, agreements, restrictions, or conditions of this Agreement by any Member shall be construed to be a waiver of any succeeding breach of the same or other covenants, restrictions, or conditions of this Agreement. No delay or omission of exercising any right, power, or remedy in the event of a breach or default shall be construed as a waiver or a variation of any of the terms of this Agreement or any applicable agreement.

ARTICLE 35 - REMEDIES FOR BREACH

If any Member shall default on any obligation contained in this Agreement, the default shall not excuse any other Member from fulfilling its respective obligations under this Agreement. Any Member shall be entitled to pursue all legal and equitable remedies against another Member in response to any alleged default under this Agreement. Any and all of the remedies provided to the Members, hereunder or by law now or hereafter enacted, are cumulative and the exercise of one right or remedy shall not impair the Members to any other remedy.

ARTICLE 36 - ARTICLE HEADINGS

All article headings are for reference only and are not intended to define or limit the scope of any provision of this Agreement.

ARTICLE 37 - DISPUTE RESOLUTION

- 37.1 The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant, or condition of this Agreement ("Dispute") may first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation, or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation.
- 37.2 Each Member shall bear its own costs, attorney's fees, and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Santa Clara County, California.

ARTICLE 38 - INSURANCE

If available, the Agency shall obtain insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Agency. Insurance under this provision may include an insurance pool program.

ARTICLE 39 - FILING WITH SECRETARY OF STATE

The Executive Director of the Agency shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5, as amended and within seventy (70) days of its effective date as required by Government Code Section 53051, as amended.

ARTICLE 40 - COUNTERPARTS

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

ARTICLE 41 - AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties and supersedes any prior written Agreement between the Members on the same topic.

CITY OF CAMPBELL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

 _____
Brian Seligman, City Attorney

1/25/2026

Date

APPROVED:

 _____
Brian Loventhal, City Manager

1/25/2026

Date

CITY OF CUPERTINO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

Handwritten signature of Christopher Jensen, consisting of two diamond shapes containing question marks and a stylized 'r'.

Christopher Jensen, City Attorney

Jan 17, 2024

Date

APPROVED:

Handwritten signature of Pamela Wu.

Pamela Wu, City Manager

Jan 17, 2024

Date

CITY OF LOS ALTOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

 Joe Houston, City Attorney

1-18-24
Date

APPROVED:

 Gabriel Manager

1/18/24
Date

TOWN OF LOS ALTOS HILLS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

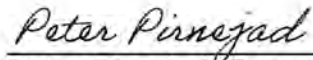


Steven Mattas, Town Attorney

1/23/2024

Date

APPROVED:



Peter Pirnejad, Town Manager

01/24/2024

Date

TOWN OF LOS GATOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Gabrielle Williams, Town Attorney

Date

APPROVED:



Katy Nomura, Assistant Town Manager
For Laurel Prevetti, Town Manager

Date

CITY OF MILPITAS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Michael Mutalipassi, City Attorney

Jan-24-2024

Date

APPROVED:



Ned Thomas, City Manager

Jan-24-2024

Date

CITY OF MONTE SERENO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

15?_
owell, City Attorney

1 - 30 - Lt'

Date

APPROVED:

Steve Leonardis, City Manager

1/29/24

Date

CITY OF MORGAN HILL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Donald Larkin, City Attorney

1/19/2024
Date

APPROVED:


Christina Turner, City Manager

1/19/2024
Date

CITY OF MOUNTAIN VIEW

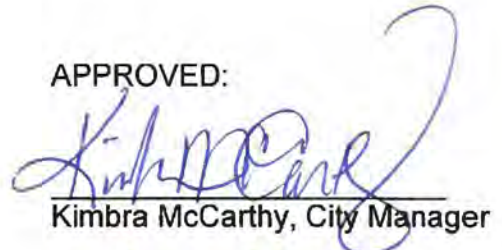
IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Jennifer Logue, City Attorney

1/17/2026
Date

APPROVED:

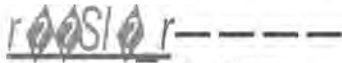

Kimbra McCarthy, City Manager

1/17/2026
Date

CITY OF PALO ALTO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Molly Stump, City Attorney

2/1/2024

Date

APPROVED:


Ed Shikada, City Manager

1/31/2024

Date

CITY OF SAN JOSE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

Kevin Fisher

Kevin Fisher, Assistant City Attorney

Feb 16, 2024

Date

APPROVED:

Toni J. Taber

Toni J. Taber, City Clerk

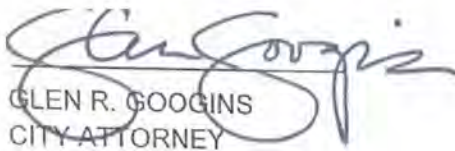
16 February 2024

Date

CITY OF SANTA CLARA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


GLEN R. GOOGINS
CITY ATTORNEY

1/20/24

Date

APPROVED:


Jovan Grogan, City Manager

1/30/24

Date

CITY OF SARATOGA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

DocuSigned by:

Richard Taylor

Richard Taylor, City Attorney

1/26/2024

Date

APPROVED:

DocuSigned by:

James Lindsay

James Lindsay, City Manager

1/26/2024

Date

CITY OF SUNNYVALE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

APPROVED:

 Rebe Moon, Interim =
City Attorney

1/29/24
Date


Larry Klein, Mayor

01276.0002 2046032.1

January 29, 2024
Date

BYLAWS

CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY

ARTICLE I

PURPOSE AND PRINCIPAL PLACE OF BUSINESS

Section 1. Purpose. The following Bylaws provide for the administration and management of the Cities Association of Santa Clara County Joint Powers Agency (“Agency”). The Agency was established through its member Cities’ adoption and approval of a Joint Powers Agreement (“Agreement”), attached hereto. The member Cities include Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Morgan Hill, Monte Sereno, Mountain View, Palo Alto, San José, Santa Clara, Saratoga, and Sunnyvale. Under Article 26 of the Agreement, the Board of Directors for the Agency shall adopt these Bylaws to establish the operating procedures and standards for the Agency. In the event of any conflict between these Bylaws and the Agreement, the Agreement shall prevail.

Section 2. Principal Place of Business. The principal place of business of this Agency shall be such place within the County of Santa Clara as may be designated from time to time by the Board of Directors of this Agency; and if none has been so designated, such place of business shall be the City Hall of the City of which the Agency President is a member of the legislative body.

ARTICLE II

MEMBERSHIP

Section 1. Membership. Each City in Santa Clara County which has approved and executed the Agreement establishing this Agency, and which has paid in full the dues required under Article VII of these Bylaws shall be a member of this Agency.

Section 2. Suspension. As provided in Article 18.1.4 of the Agreement, if a member City elects to relinquish its status as a member of the Agency, or if a member City fails to be represented at four (4) or more consecutive meetings of the Board of Directors, then the Board of Directors may suspend that member City. As further provided in Article 21, any member City which is delinquent in payment of its dues shall automatically be deemed suspended from membership sixty (60) days after the date on which payment is due if the full payment has not been received, and it shall be the duty of the Secretary/Treasurer to promptly notify the City of its delinquency. Once suspended, the member City may not have any representation on the

Board of Directors and may not vote on matters coming before the Board of Directors. A suspended member City shall be restored to full membership upon its payment of the total dues assessment then due and payable in accordance with Article VII, Section 2.

Section 3. Associate Members. As provided in Article 32 of the Agreement, a non-City local agency may become an Associate Member upon application to and approval by the Board of Directors and execution of an Associate Membership Agreement. Such Associate Members shall also pay a membership fee as determined by the Board of Directors that considers that considers the Associate Member's jurisdictional scope and the number of residents it serves, the role of the Associate Member in the Agency, and the benefits received by the Associate Member through membership in the Agency.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Selection and Tenure. In accordance with Section 8.1 of the Agreement, the Board of Directors of this Agency shall be composed of a representative from each member City, selected by and from the legislative body thereof. Each Board member shall hold office at the pleasure of his or her City's legislative body, and selection shall be made in such manner as the respective legislative bodies of member Cities may themselves determine.

Section 2. Alternates. The legislative body of a member City shall select from among its members an alternate to represent that City on the Board of Directors and vote in the absence of the member from that City.

Section 3. Notice of Appointment. The legislative body of each member City shall, immediately upon the selection of one of its members as a member of Board of Directors, or as alternate, advise the Secretary/Treasurer of such appointment.

Section 4. Ex Officio Members. The Santa Clara County City Managers Association shall serve as advisors to the Agency and may appoint one of its members to serve as an ex officio member of the Board of Directors. The ex officio member may participate in deliberations but shall not participate in voting or in any of the privileges of membership, and shall not be counted for the purpose of determining whether a quorum of the Board is present.

Section 5. Compensation. No member of the Board of Directors, including officers, shall receive any compensation from the Agency for his or her services as a member of the Board. No member of the Board, including officers, shall be entitled to reimbursement from the Agency for expenses incurred on Agency business unless such reimbursement shall be authorized in advance by the Board of Directors, or unless such reimbursement is authorized and distributed by the member's respective city.

Section 6. Duties. It is the responsibility of the members of the Board to report to and solicit comments from their fellow City Council members on major issues and to keep their City Councils informed on the business of the Agency.

ARTICLE IV

OFFICERS

Section 1. Officers Designated. In accordance with Article 10 of the Agreement, the following officers shall be elected by the Board of Directors: President, First Vice President, Second Vice-President and Secretary/Treasurer. Officers shall be selected by the Board of Directors, from the Council Members and Mayors of member Cities.

Section 2. Term of Office.

- a. The regular term of office for all officers shall commence upon election and shall be for a period of one (1) year. No person shall hold the same office for more than two (2) consecutive full terms.
- ~~b. Election of officers shall take place at the first meeting of the Board of Directors and annually thereafter at the regular meeting of the Board of Directors in November.~~
- e.b. In the event a vacancy occurs during any officer's term of office, the Board of Directors shall determine whether to fill the unexpired portion of the term and may request that the President establish a nominating committee, as set forth in Section 6 below. If a vacancy occurs in the position of President, the Board of Directors shall fill the position at the next regular meeting or at a special meeting called to fill the vacancy, as provided in Article 10 of the Agreement. A person appointed to fill the unexpired portion of the term is not rendered ineligible to hold the same office in accordance with the provisions of Article IV, Section 2(a).

Section 3. Duties.

- a. President. It shall be the duty of the President to preside at the meetings of the Board of Directors and to perform such other duties as ordinarily pertains to the office of President of like types of organizations.
- b. Vice Presidents. It shall be the duty of the First and Second Vice-Presidents, in that order, to act in the place and stead of the President during the President's absence or inability to act.
- c. Secretary/Treasurer. Consistent with Articles 16 and 17 of the Agreement, the Secretary/Treasurer shall be responsible for the review of all financial accounts and records and the disbursement of funds by the Agency so that they are in accordance with the Agreement, these Bylaws, and the directions of the Board of Directors. In accordance with Section 9.3 of the Agreement, the Secretary/Treasurer shall see that minutes of all Board and Committee meetings are recorded. The day-to-day operation and performance of the Secretary/Treasurer's duties may be delegated

to an Executive Director for the Agency, but in that instance, the Executive Director shall not become an Officer or Board member for the Agency.

Section 4. Executive Director. In accordance with Section 14.1.1 of the Agreement, the Board of Directors may contract with an independent consultant to serve as Executive Director until the Executive Director resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The Executive Director shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 5. General Counsel. In accordance with Section 14.1.2 of the Agreement, the Board of Directors may contract with an independent consultant to serve as General Counsel until the General Counsel resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The General Counsel shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 6. Nominating Committee. A nominating committee consisting of three (3) Board members shall be appointed by the President no later than two (2) meetings before the meeting at which officers for the following year will be elected. The President shall appoint at least one (1) Executive Committee member and at least one (1) Board member who is not a member of the Executive Committee to the nominating committee. At the meeting immediately preceding the meeting for the election of officers, this nominating committee shall present its nominations for officers for the following year. Additional nominations may be made from the floor at the meeting where the election is to be conducted, providing the consent of the nominee has been secured.

ARTICLE V

MEETINGS

Section 1. Schedule and Locations. Regular meetings of the Board of Directors shall be held, at a minimum, every other month at a time and location determined by the Board of Directors. The Board of Directors shall schedule periodic meetings of the general membership, to include all members of legislative bodies of member Cities.

Section 2. Notice and Meetings. The Agency is a legislative body for purposes of the Brown Act (Govt. Code 54950 *et seq.*). Notice of the time and place of all regular meetings shall be given in writing by the Secretary/Treasurer or a designee to all members of the Board at least three (3) days prior to the meeting. Such notices may be sent by electronic mail. Notice of special meetings shall be given by the Secretary/Treasurer or a designee to all Board members at least one (1) day in advance and in the manner required by the Brown Act. The Secretary/Treasurer or designee shall be responsible for preparing and posting agendas of regular Board meetings at least 72 hours prior to the meeting and in compliance with the Brown Act.

Section 3. Quorum. A majority of the members of the Board of Directors shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the President.

Section 4. Voting. The affirmative vote of a majority of the members of the Board of Directors present at a meeting, rather than a majority of all of the Board of Directors' members, shall be sufficient for approval of a proposed action. Each member City shall have one vote.

Section 5. Rules of Order. Subject to the provisions of these By-Laws, the meetings of the Board of Directors shall be governed by Rosenberg's Rules of Order.

ARTICLE VI

COMMITTEES

Section 1. Standing Committees.

- a. **Executive Committee.** The Executive Committee shall act to accomplish, administer and facilitate the goals and the purposes of the Agency at the direction of the Board of Directors. As provided in Article 11 of the Agreement, the Executive Committee shall consist of the officers of the Board of Directors ; including the Immediate Past President, if still a Council Member or Mayor of a member City. If the Immediate Past President is no longer a Council Member or Mayor of a member City, a Director at Large may be appointed to the Executive Committee to fill the vacancy. The Director at Large shall be a Council Member or Mayor of a member City appointed by the President upon approval of the Board. The Vice Chair of the Legislative Action Committee shall be appointed to serve on the Executive Committee in the absence of the Chair of the Legislative Action Committee.
- b. **Legislative Action Committee.** The membership of the Legislative Action Committee shall consist of one representative from each member City. The representative shall be a Council Member or the Mayor. Each City shall also appoint an alternate to serve on the Legislative Action Committee in the absence of the designated representative. The alternate shall be a Council Member or the Mayor. Each member City, represented by either the representative or the alternate, shall have one vote. The representative of a member City who serves on the Board of Directors (or alternate to the Board) may also serve as the member City's representative to the Legislative Action Committee (or alternate to the Committee). The purpose of the Legislative Action Committee is threefold. First, the Committee would enable the Agency to advocate on issues of interest to Santa Clara County cities in an organized, effective manner and assist in the development of state-wide legislative policy through local and state government and CalCities. With respect to this advocacy and policy development, the Committee will submit its recommendations to the Board of Directors. If the Board accepts a

recommendation, the Chair of the Committee will transmit the Agency's position to the appropriate official, committee, or policy-making body. Second, the Committee would provide basic legislative information to cities with little or no legislative staff, upon request. Third, the Chair of the Committee and the Board President may organize emergency responses to urgent legislative issues, consistent with prior decisions made by the Board of Directors.

- c. City Selection Committee. The City Selection Committee shall have the membership and purposes set forth in Government Code sections 50270-50279.4 and shall be governed by the requirements of such sections. In accordance with state law, the membership of the City Selection Committee shall consist of the Mayor of each City in the County, whether or not any such City is a member of the Agency. When the Mayor is unable to attend a meeting of the City Selection Committee, the Mayor shall designate another member of the city's legislative body to attend and vote at the meeting as the Mayor's representative. Eight (8) votes are required to appoint representatives to boards, commissions or agencies.

Section 2. Other Committees Authorized.

- a. A nominating committee will be appointed as required and in accordance with the provisions of Article IV.
- b. The President, with the consent and approval of the Board of Directors, may appoint such committees as may be necessary from time to time, and designate the chair and the purpose of each such committee. Subject to the Board of Directors' consent and approval, any elected official of any member City shall be eligible to serve upon any such committee.

Section 3. Quorum. A majority of the members of each committee shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the Chair.

ARTICLE VII

FINANCES

Section 1. Budget. In accordance with Article 8.3.5 of the Agreement, on or before April 30 of each calendar year, the Board of Directors shall approve a budget for the Agency for the fiscal year commencing with July 1 of the same calendar year. A copy of the budget when approved and a copy of the final budget when adopted shall be transmitted to each member City.

Section 2. Significant Programs. In accordance with Article 15 of the Agreement, any program or activity that requires \$10,000 or more (as adjusted by CPI) in annual expenditures shall require approval by a two-thirds vote of the members of the Board of Directors. Any components of the annual operating budget proposed pursuant to Article VII, Section 1 that qualify as a significant program shall be subject to this two-thirds vote approval requirement,

whether those significant programs are proposed as a part of the annual operating budget or as a subsequent, mid-year budget adjustment.

Section 3. Dues. Each Member City shall pay to this Agency annual membership fees in accordance with a dues schedule adopted by the Board of Directors as part of the annual operating budget on or before April 30 of each year. Dues shall be for the fiscal year commencing July 1 and shall be an amount for each member City based upon the approved annual operating budget. The full amount shall be due and payable on or before July 1 of each year. Any City becoming a member of this Agency during a fiscal year shall pay the full dues for that year prior to exercising any rights of membership.

Section 4. Funds. All funds received by the Agency from the membership or any other source shall be deposited in a financial institution or institutions determined by the Secretary/Treasurer and disbursed only by persons designated by the Board of Directors as signers on the account including the Executive Director, the Secretary/Treasurer, and the President.

Section 5. Accounting. In accordance with Article 16 of the Agreement, every year, an audit of the Agency's finances shall be completed and copies thereof shall be filed with the Board of Directors and the County Auditor for Santa Clara County. Upon request, a complete written account of all receipts and disbursements during the previous year, showing the opening and closing balances shall be prepared by the Secretary/Treasurer or a designee. Copies thereof shall be made available to the Board of Directors. On a quarterly basis, bank and reconciliation statements shall be reviewed and approved by the Secretary/Treasurer. Quarterly reports of accounting and investments shall be prepared and made available to the Board of Directors by the Secretary/Treasurer or a designee.

ARTICLE VIII

ADOPTION AND AMENDMENTS

Section 1. Adoption. These Bylaws shall become effective upon the affirmative vote of a majority of the Board of Directors present and voting.

Section 2. Amendments. These Bylaws may be amended only in the following manner: Proposed amendments shall be submitted in writing to the Board of Directors for approval, and if approved, shall thereafter be submitted in writing to each member City of the Agency at least thirty (30) days before action thereon is required by the membership. An affirmative vote of the majority of the Board of Directors present and voting shall be required for approval.

JOINT POWERS AGENCY AGREEMENT FOR CITIES ASSOCIATION OF SANTA CLARA COUNTY

This Joint Powers Agreement ("Agreement" or "JPA") for the Cities Association of Santa Clara County is entered into by and among the cities ("Members"), which are organized and existing under the Constitution and laws of the State of California in which public agencies are located in the County of Santa Clara, and upon approval and full execution of the Agreement, creates the Cities Association of Santa Clara County Joint Powers Agency ("Agency").

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 *et seq.*) permit two or more public agencies by agreement to jointly exercise powers common to the Members; and

WHEREAS, the public agency Members executing this JPA are cities or towns within the jurisdiction of the County of Santa Clara ("County"); and

WHEREAS, the Cities Association of Santa Clara County has existed as an unincorporated association since 1990 and desires to formalize the relationship between its City and Town members and form a Joint Powers Agency in order to carry out activities for the good of all its Members; and

WHEREAS, the Members executing this Agreement, desire to join together to create a separate Joint Powers Agency for the purpose of promoting cooperation among the Members; advocating for positive action; enhancing the quality of life for the residents of the County and their individual cities; and encouraging other joint and cooperative endeavors among the public agencies for their mutual benefit.

NOW, THEREFORE, the Parties agree to the following:

AGREEMENT

ARTICLE 1 - DEFINITIONS

- 1.1 "Associate Member" shall mean any non-city local agency, located within jurisdictional authority of the County of Santa Clara, and shall have duly executed and delivered to the Agency an Associate Membership Agreement in the form of and as further provided in the Bylaws of the Agency, as further provided in Article 32 herein.
- 1.2 "Agency" shall mean the Cities Association of Santa Clara County Joint Powers Agency created by this Agreement.
- 1.3 "Board of Directors" or "Board" shall mean the governing body of the Agency.
- 1.4 "Executive Committee" shall mean the Executive Committee of the Board of Directors of the Agency.

- 1.5 "Fiscal Year" shall mean that period of twelve (12) months which is established by the Board of Directors or the Bylaws as the fiscal year of the Agency, which shall run from July 1 to June 30 of each year.
- 1.6 "Government Code" shall mean the California Government Code, as amended.
- 1.7 "Joint Powers Law" shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code, known as the Joint Exercise of Powers Act, as amended.
- 1.8 "Legislative Body" shall mean the legislative board of each Public Agency that is a Member of the Agency.
- 1.9 "Member" shall mean any city which has executed this Agreement and has become a member of the Agency. The complete list of Members is set forth in Exhibit "A" attached hereto and incorporated herein by this reference.
- 1.10 "Parties" shall mean Members or Associate Members who are party to this Agreement.
- 1.11 "Public Agency" shall mean public agency as defined in Government Code Section 6500, as amended.
- 1.12 Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neutral gender shall be construed to include each other gender, when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions herein shall be construed to effectuate the purposes set forth and to sustain the validity of those purposes.

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;
 - 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
 - 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
 - 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;

- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
- 2.1.9 Strengthen the Members' and Agency's standing at the regional, State and Federal level;
- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

ARTICLE 3 - PARTIES TO AGREEMENT

Each Member, as a Party to this Agreement, intends to and does contract with all other Members as Parties to this Agreement and, with other Public Agencies as may later be added as Parties to this Agreement pursuant to the Joint Powers Law. The withdrawal of any party from this Agreement, pursuant to Article 20, shall not affect this Agreement or the remaining Members' obligations.

ARTICLE 4 - FORMATION; TERM

This Agreement shall become effective when fully executed and returned to the Agency by at least eight (8) Members, but only as to those Members that have executed the Agreement. The Agency shall promptly notify all Members in writing of the effective date. After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar joint powers authority, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5 - CREATION OF THE AGENCY

Pursuant to the Joint Powers Law, there is hereby created a public entity, separate and apart from the Parties hereto, to be known as the "Cities Association of Santa Clara County Joint Powers

Agency" with powers as are set forth herein. Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist.

ARTICLE 6 - POWERS OF THE AGENCY

6.1 Subject to the terms of this agreement, the Agency shall have all of the powers of a public agency as defined in the Government Code Section 6500 as amended and all additional powers set forth in the Joint Powers Law and other statutes applicable to the Joint Powers Agency created hereby and is authorized to do all acts necessary for the exercise of these powers on behalf of its Members. Powers include, but are not limited to, the following, in the Agency's own name:

- 6.1.1 To make and enter into contracts;
- 6.1.2 To incur debts, liabilities, and obligations and to encumber personal property;
- 6.1.3 To acquire, hold, or dispose of personal property, contributions, and donations of personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;
- 6.1.4 To sue and be sued in its own name, and to settle any claim against it;
- 6.1.5 To receive and use contributions and advances from Members as provided in Government Code Section 6504, as amended including contributions or advances of personnel and equipment;
- 6.1.6 To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5, as amended;
- 6.1.7 To acquire, construct, manage, maintain, or operate title to personal property, or rights, or any interest therein;
- 6.1.8 To retain the services of agents, contractors, and consultants;
- 6.1.9 To receive, collect, and disburse monies;
- 6.1.10 To conduct studies, tests, evaluations, and similar activities;
- 6.1.11 To contract for services from Members, including in-kind services;
- 6.1.12 To conduct public outreach and education;
- 6.1.13 To participate in pilot and demonstration projects;
- 6.1.14 To charge for services, programs, and/or systems;
- 6.1.15 To work with elected officials and local, regional, state, and federal agencies, including other joint powers agencies and unincorporated associations to pursue funding, enter agreements and otherwise carry out the purposes of the Agency; and

- 6.1.16 Subject to this Agreement or the Bylaws of the Agency, and only as authorized by the Joint Powers Law, to exercise other reasonable and necessary powers in furtherance or support of any purpose of the Agency.

ARTICLE 7 - RESTRICTIONS ON POWERS

- 7.1 Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.
- 7.2 The Agency shall not have the power of eminent domain.
- 7.3 The Agency shall not have the power of taxation. The Agency may not impose taxes but may receive the proceeds of taxes imposed by other entities or public funds from other entities.
- 7.4 The Agency shall not have the power to acquire, purchase, hold or dispose of real property.
- 7.5 The Agency shall not have the power to hire employees.
- 7.6 The Agency shall not have the power to issue debt.

ARTICLE 8 - BOARD OF DIRECTORS

- 8.1 The Agency shall be governed by the Board of Directors, which shall be composed of one Director representing each Member. Each Member's Legislative Body, according to its own procedures, shall appoint a Member of the Legislative Body as a Director to represent the Member on the Board of Directors. The Director shall serve at the pleasure of their respective Legislative Body. The Legislative Body of each Member shall also appoint one alternate Director ("Alternate") who shall participate in and vote at any meeting of the Board when the primary Director is absent. Any vacancy in a Director or Alternate position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member, the new Member shall be entitled and required to appoint a Director and one alternate Director. Every Director or Alternate shall be a Council Member or Mayor of their individual Member city.
- 8.2 A Director and/or Alternate shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Agency receives written notice from the appointing Member of the removal and/or replacement of the Director or Alternate; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the Director or Alternate; (4) the Agency receives written notice from the Member that the Director or Alternate is no longer qualified as provided in the first paragraph of this Article 8; or as set forth in Article 21.

- 8.3 The Board of Directors shall have the following powers and functions:
- 8.3.1 Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Agency, either directly or by delegation to other bodies or persons;
 - 8.3.2 The Board shall elect an Executive Committee, as provided in Article 11;
 - 8.3.3 The Board shall be the policy setting body of the Agency;
 - 8.3.4 The Board shall appoint or retain the services of necessary agents, consultants, or independent contractors in accordance with Article 14;
 - 8.3.5 The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Agency. Adoption of the budget may not be delegated. The Board shall adopt their budget no later than the first April 30th following formation and then subsequently by April 30th of each successive year. The Board shall review, set, and adopt annual dues to be funded by Agency Members;
 - 8.3.6 The Board shall receive, review and act upon periodic reports and audits of the funds of the Agency, as required under Article 16 of this Agreement;
 - 8.3.7 The Board may adopt policies regarding personnel, conflicts of interest and other matters necessary or convenient for the efficient operation of the Agency;
 - 8.3.8 The Board shall adopt a set of priorities and work plan for each fiscal year; and
 - 8.3.9 Subject to the terms of this Agreement, the Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Agency.

ARTICLE 9 - MEETINGS OF THE BOARD OF DIRECTORS

- 9.1 The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution, or in the Bylaws, the date, time, and location of each regular meeting. The Board or Executive Director, in consultation with the President of the Board as provided in Article 10 below, may call special meetings.
- 9.2 Each meeting of the Board of Directors, including without limitation, regular, adjourned regular and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.
- 9.3 The Agency shall require the Secretary/Treasurer or designee to take and maintain minutes of all regular, adjourned regular and special meetings. As soon as practicable after each meeting, the Secretary/Treasurer or designee shall forward to each Board Member, a copy of the minutes of the meeting.
- 9.4 A majority of the Members of the Board shall constitute a quorum for the transaction of business. Unless otherwise required by law, a vote of the majority of a quorum of the members

present at a meeting is sufficient to take any action, unless otherwise specified in this Agreement. However, less than a quorum may adjourn the meeting to a future date.

9.5 Each Member of the Board shall have one vote.

ARTICLE 10 - OFFICERS

The Board shall elect as Officers of the Agency President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Agency, the Board shall elect the President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President, at the November Board of Directors meeting, or the first meeting held on or after November 1 of each year. ~~All Of the Officers, the President, and at least two other Officers, Officers-Directors~~ must also be members of the Board of Directors or alternates to the Board of Directors. ~~The remaining Officers may be the elected or appointed Mayor or Council Member of any Member of the Agency regardless of whether they are on the Board of Directors.~~ Each Officer shall assume the duties of his or her office upon election. If ~~the Presidentany Officer~~ ceases to be a Member or alternate of the Board, the resulting vacancy shall be filled by the alternate from that City at the next meeting of the Board held after the vacancy occurs, or at a special meeting of the Board called to fill the vacancy. The President shall preside at and conduct all meetings of the Board. Should the Board President not be available then the highest-level Officer, ~~who is a member of the Board of Directors,~~ shall preside. If that individual is unavailable, then ~~any Director appointed by the President may~~ the next highest level Officer shall preside. The Board may appoint other officers as it considers necessary. The duties of the Secretary/Treasurer are set forth in Articles 16 and 17 of this Agreement. The Secretary/Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Secretary/Treasurer, as provided in the Joint Powers Law.

ARTICLE 11 - EXECUTIVE COMMITTEE

At such time as there are nine Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of three (3) Officers consisting of the President, First Vice President, and Secretary/Treasurer, which shall exist thereafter. At such time as there are 11 Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of five (5) Officers, with the addition of the Immediate Past President, which shall exist thereafter. Should the Immediate Past President no longer hold elected office then a Member at Large may be appointed by the Board to serve on the Executive Committee. The qualifications of the Member at Large are that they must be an elected or appointed Mayor or Council Member of a Member of the Agency but need not be on the Board of Directors. The terms of office of the Members of the Executive Committee shall be one year. The Executive Committee shall conduct the business of the Agency between meetings of the Board, exercising all those powers as provided for in this Article, or as otherwise delegated to it by the Board.

The Executive Committee, subject to approval by the Board of Directors, shall exercise all powers or duties of the Board relating to the entering, approval and execution of agreements, leases, and other instruments of or relating to the finances of the Joint Powers Agency within the previously

approved annual budget or amended budget. The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency's annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall obtain approval from the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee. Each meeting of the Executive Committee shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 12 - COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Agency or it may, in the Bylaws or by resolution, delegate this power to the Executive Committee by Resolution. Members of committees, except as otherwise stated in this Agreement, shall be appointed by the President. Each committee shall have those duties as determined by whichever Agency body created it or as otherwise set forth in the Bylaws. Each committee shall meet on the call of its chairperson and shall report to and be directed by whichever entity created it. No more than one representative from each jurisdiction shall serve on each committee. Membership of any committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate decision-making powers and duties only to a committee, a majority of the members of which are Board Members. Any committee, except the City Selection Committee, in which a majority of the members are not Board Members may function only in an advisory capacity. The Legislative Action Committee shall be a permanent Committee of the Agency ~~chaired by the Second Vice President~~whose chair shall be democratically elected by its membership and whose members shall be appointed by the Agency Members. ~~Should there be no Second Vice President, the Legislative Action Committee shall be chaired by the First Vice President.~~ All standing committees shall abide by the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 13 - CITY SELECTION COMMITTEE

The City Selection Committee is established pursuant to State law and the Agency shall administer the City Selection Committee as follows: The City Selection Committee shall be a permanent committee of the Agency, consisting of the Mayor of each City or Town, consistent with Government Code 50270, as amended. The Agency shall allow all cities in the County to participate in the City Selection Committee, whether or not they are members of the Agency.

ARTICLE 14 - PROFESSIONAL SERVICES

14.1 The Board of Directors may contract with individuals or companies to provide the following services at the pleasure of the Board of Directors:

- 14.1.1 Executive Director. The Board shall contract with a consultant or independent contractor to fulfill the following duties of an Executive Director: manage the affairs of the Agency, subject to the general supervision and policy direction of the Board and the Executive Committee; oversee the day-to-day activities of the Agency; select and manage the activities of all consultants and independent contractors to the Agency; be responsible for required filings by the Agency with the State of California; prepare or delegate the preparation of all meeting notices, minutes, and required documentation of the Agency; prepare and propose an annual budget; prepare reports and recommendations for consideration by the Executive Committee or Board; be responsible for billing and collection of annual dues; maintain the records of the Agency; assist Local Agencies in the preparation and filing of applications for participation in the financing programs of the Agency; expedite the processing of these applications; pay all invoices, taxes and amounts due; and perform other duties as are assigned by the Board and Executive Committee. The Executive Director may have the authority to sign agreements, applications, and other documents on behalf the Agency, if authorized by the Board or Executive Committee. The Executive Director shall have the Authority to enter into individual Agreements with a single vendor over the course of a fiscal year, on behalf of the Agency, up to the amount set by the Bylaws.
- 14.1.2 General Counsel. The Board shall contract with a consultant, independent contractor, or law firm to fulfill the duties of General Legal Counsel. The General Counsel shall take direction from the majority of the Board of Directors. The General Counsel shall be a member in good standing of the California State Bar. The General Counsel shall be responsible for the legal affairs of the Agency;
- 14.1.3 Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual financial audits of the Agency;
- 14.1.4 Other services. The Executive Director may hire additional consultants and independent contractors, as appropriate, based upon a previously approved budget;
- 14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System ("PERS"), nor shall any agent, consultant or independent contractor of the Agency become a member of PERS or be entitled to a pension or retirement from PERS as a result of service to the Agency; and
- 14.1.6 The consultants and independent contractors fulfilling the duties of Executive Director, the Auditor, the General Counsel and any other consultants or independent contractors who provide services to the Agency shall be compensated in such manner as shall be approved by the Board and as permitted by applicable law.

ARTICLE 15 - SIGNIFICANT PROGRAMS

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. If the Board deems it necessary, it may

appoint a working committee to study the significant program or activity and provide input to the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$10,000 or more in annual expenditures; this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into a specific program or project Agreement that includes relevant terms regarding the particular affected Members, and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These limited scope Agreements shall be subject to approval by the Board by a two-thirds vote of the Members.

ARTICLE 16 - ACCOUNTS AND RECORDS

- 16.1 The Agency shall adopt an operating budget pursuant to Section 8.3.5 of Article 8 of this Agreement.
- 16.2 The Secretary/Treasurer of the Agency or the Executive Director shall establish and maintain funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Agency shall be open to and made available for inspection at all reasonable times upon request by authorized representatives of the Members.
- 16.3 The Agency shall adhere to the standard of strict accountability for funds and report all receipts and disbursements as set forth in the Joint Powers Law.
- 16.4 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 the prior Fiscal Year to the Board.
- 16.5 The Agency shall either make or contract with a Certified Public Accountant to make an annual Fiscal Year audit of all accounts and records of the Agency, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed as a public record and be provided to each of the Members, and with the County Auditor of the County of Santa Clara. Costs of the audit shall be considered a general expense of the Agency. Any costs of the audit shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for this purpose.

ARTICLE 17 - RESPONSIBILITIES FOR FUNDS AND PROPERTY

- 17.1 The Secretary/Treasurer, or his or her designee, shall have the custody of and disburse the Agency's funds. Proceeds of similar obligations of the Agency may be deposited with a trustee, agent or other depository and shall not be considered the Agency's funds for purposes of this Article. The Secretary/Treasurer may delegate disbursements to persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of Section 17.2 below.

- 17.2 The Secretary/Treasurer or designee shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Secretary/Treasurer shall review the financial statements and the annual audit of the Agency.
- 17.3 Pursuant to Government Code Section 6505.1, as amended, the Executive Director, the Secretary/Treasurer, and other persons as the Board may designate, shall have charge of, handle, and have access to the property of the Agency. The Agency shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in a form specified by the Board of Directors, covering any officers or agents of the Agency who are authorized to hold or disburse funds of the Agency and any officers or agents who are authorized to have charge of, handle and have access to property of the Agency.

ARTICLE 18 - MEMBER RESPONSIBILITIES

- 18.1 Each Member shall have the following responsibilities:
- 18.1.1 To appoint its Director and Alternate to, or remove its Director and Alternate, from the Board, as set forth in Article 8;
- 18.1.2 To consider proposed amendments to this Agreement as set forth in Article 29;
- 18.1.3 To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement; and
- 18.1.4 If a Member provides written notice to the Agency of its election to relinquish its status as a Member, or if a Member fails to be represented at four (4) or more consecutive regular meetings of the Board of Directors, then that Member may be deemed to be a suspended Member, with all the rights and duties of an Associate Member, upon action of the Board of Directors duly adopted. Prior to the suspension, the President shall contact the Mayor and request that another Council Member be appointed or that reinstatement for the current Member be requested. The suspension shall be approved by the Board of Directors. Promptly following that action by the Board of Directors, the Member may be reinstated by informing the Board of its intent to be reinstated within thirty (30) days and to attend all future meetings either via the Director or Alternate. Removal of a Member for failure of the Director to attend meetings shall not relieve the Member from its obligations under any outstanding agreements relating to the Agency's financial obligations, except in accordance with this Agreement.

ARTICLE 19 - NEW MEMBERS

With the approval of the Board, any city located within the County of Santa Clara may become a party as a Member to this Agreement. A city requesting membership shall apply by presenting to the Agency, a resolution of the Legislative Body of the City, evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board. The Agency shall

accept new Members upon a majority affirmative vote of the entire Board and upon payment of any Board determined assessments and fees.

ARTICLE 20 - WITHDRAWAL

A Member may terminate its membership in the Agency at any time upon giving one hundred and eighty (180) days written notice of withdrawal to the Agency. The notice shall be given to the Board of Directors. The effective date shall be the conclusion of the first Board Meeting which occurs after the one hundred and eighty (180) day notice period has passed. Any Member who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations incurred or accrued through the end of the current fiscal year of the Agency. The withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Agency then in effect. In the event of a disagreement between the Agency and the withdrawing Member as to whether the withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Agency, the determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Agency shall provide funds to the Agency, proportionate to their responsibility for the current fiscal year, as if the Member had never left the Agency. A withdrawing Member shall, in all events, remain liable for its proportionate share of: (i) its full amount of its proportionate share of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Agency prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time of the notice of withdrawal.

ARTICLE 21 - REMOVAL

If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can remove the Director and request that the Member who appointed the Director appoint a new Director. The Board may, by two-thirds majority vote of the entire Board, remove a Member based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement as described above. Failure to pay dues within 60 days following notice shall result in a Member becoming suspended with all the rights of an Associate Member. A suspended Member shall immediately have its voting rights restored upon full payment of dues.

ARTICLE 22 - OBLIGATIONS OF AGENCY

The debts, liabilities, and obligations of the Agency shall not be the debts, liabilities, and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency. Nothing in this Agreement shall be interpreted to limit the applicability of the provisions of Government Code Section 895.6.

ARTICLE 23 - TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no financial obligations of the Agency are outstanding, with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Agency shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties to this Agreement, in accordance with the respective contributions of each of the Parties.

ARTICLE 24 - LIABILITY OF BOARD OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS

- 24.1 The Members of the Board of Directors, Officers, and Committee Members of the Agency 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 individually liable for any mistake of judgment, or any other action made, taken, or omitted by them in good faith, nor for any act or omission by any agent, consultant or independent contractor selected with reasonable care, nor for loss incurred, resulting from any action made, taken, or omitted by them in good faith and with reasonable care through investment of Agency funds, or failure to invest.
- 24.2 No Director, Officer, or Committee Member shall be responsible for any act or omission of any other Director, Officer, or Committee Member. Unless otherwise required by law, no Director, Officer, or Committee Member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.
- 24.3 The funds of the Agency shall be used to defend, indemnify, and hold harmless the Agency for any Director, Officer, or Committee Member, for their actions taken within the scope of the Agency. Nothing herein shall limit the right of the Agency to purchase insurance to provide coverage for these types of losses.
- 24.4 These indemnification and defense obligations shall survive the termination of the Agreement as to any acts or omissions occurring before such termination.

ARTICLE 25 - INDEMNIFICATION

To the fullest extent allowed by law, the Agency shall defend, indemnify, and save harmless the Members and their governing bodies, officers, agents and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Agency or the activities undertaken pursuant to this Agreement.

ARTICLE 26 - BYLAWS

The Board shall adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Agency. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Agency.

ARTICLE 27 - NOTICES

The Agency shall address notices, billings, and other communications to a Member as directed by that Member. Each Member shall provide the Agency with the email and physical address to which communications are to be sent. Members shall address notices and other communications to the Agency, at the office address of the Agency, or the email address of the Agency as directed by the Member and as set forth in the Bylaws.

ARTICLE 28 - CODES

The Agency shall adopt and observe a Code of Conduct and Conflict of Interest Policy. The Agency shall comply with all requirements of the Fair Political Practices Commission as required by law or regulation.

ARTICLE 29 - AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of the approval of the amendment by two thirds of the Legislative Bodies of the Members.

ARTICLE 30 - SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected.

ARTICLE 31 - 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 Agency. This Agreement shall be binding upon and shall inure to the benefit of successors of the Members. This Agreement is intended solely for the benefit of the

Agency and its Members. No third party shall be deemed a beneficiary of this Agreement or have any rights against the Agency or its Members.

ARTICLE 32 - ASSOCIATE MEMBERS

Any Public Agency located within the jurisdictional authority of the County of Santa Clara may, with the approval of the Board of Directors, become an Associate Member of the Agency by executing and delivering to the Agency an Associate Membership Agreement and providing an Associate Membership fee and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors, or to vote on any matter coming before the Board of Directors or the Agency, unless a separate written agreement is entered into between the Associate Member and the Agency.

ARTICLE 33 - LIBERAL CONSTRUCTION

The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Agency.

ARTICLE 34 - NON-WAIVER

No waiver of the breach of default of any of the covenants, agreements, restrictions, or conditions of this Agreement by any Member shall be construed to be a waiver of any succeeding breach of the same or other covenants, restrictions, or conditions of this Agreement. No delay or omission of exercising any right, power, or remedy in the event of a breach or default shall be construed as a waiver or a variation of any of the terms of this Agreement or any applicable agreement.

ARTICLE 35 - REMEDIES FOR BREACH

If any Member shall default on any obligation contained in this Agreement, the default shall not excuse any other Member from fulfilling its respective obligations under this Agreement. Any Member shall be entitled to pursue all legal and equitable remedies against another Member in response to any alleged default under this Agreement. Any and all of the remedies provided to the Members, hereunder or by law now or hereafter enacted, are cumulative and the exercise of one right or remedy shall not impair the Members to any other remedy.

ARTICLE 36 - ARTICLE HEADINGS

All article headings are for reference only and are not intended to define or limit the scope of any provision of this Agreement.

ARTICLE 37 - DISPUTE RESOLUTION

- 37.1 The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant, or condition of this Agreement ("Dispute") may first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation, or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation.
- 37.2 Each Member shall bear its own costs, attorney's fees, and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Santa Clara County, California.

ARTICLE 38 - INSURANCE

If available, the Agency shall obtain insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Agency. Insurance under this provision may include an insurance pool program.

ARTICLE 39 - FILING WITH SECRETARY OF STATE

The Executive Director of the Agency shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5, as amended and within seventy (70) days of its effective date as required by Government Code Section 53051, as amended.

ARTICLE 40 - COUNTERPARTS

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

ARTICLE 41 - AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties and supersedes any prior written Agreement between the Members on the same topic.

CITY OF CAMPBELL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

 _____
Brian Seligman, City Attorney

//zs/2'-(

Date

APPROVED:

 _____
Brian Loventhal, City Manager

VzS/zL/

Date

CITY OF CUPERTINO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

The signature of Christopher Jensen is written in black ink. It consists of two diamond-shaped symbols, each containing a question mark, followed by a stylized lowercase 'r'.

Christopher Jensen, City Attorney

Jan 17, 2024

Date

APPROVED:

The signature of Pamela Wu is written in black ink. It is a cursive-style signature that reads "Pamela Wu".

Pamela Wu, City Manager

Jan 17, 2024

Date

CITY OF LOS ALTOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

APPROVED:

 Joe Houston, City Attorney

Gabriela Manager

1-18-24
Date

1/18/24
Date

TOWN OF LOS ALTOS HILLS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Steven Mattas, Town Attorney

1/23/2024

Date

APPROVED:



Peter Pirnejad, Town Manager

01/24/2024

Date

TOWN OF LOS GATOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Gabrielle W. Trivette, Town Attorney

Date

APPROVED:



Katy Nomura, Assistant Town Manager
For Laurel Prevetti, Town Manager

Date

CITY OF MILPITAS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

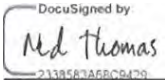


Michael Mutalipassi, City Attorney

Jan-24-2024

Date

APPROVED:



Ned Thomas, City Manager

Jan-24-2024

Date

CITY OF MONTE SERENO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

15?_?
owell, City Attorney

1 - 30 - Lt'

Date

APPROVED:

Steve Leonardis, City Manager

Date

CITY OF MORGAN HILL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Donald Larkin, City Attorney

1/19/2024
Date

APPROVED:


Christina Turner, City Manager

1/19/2024
Date

CITY OF MOUNTAIN VIEW

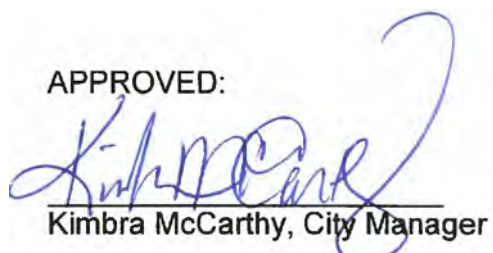
IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Jennifer Logue, City Attorney

1/27/26
Date

APPROVED:

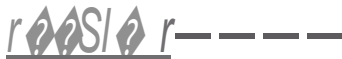

Kimbra McCarthy, City Manager

1/27/26
Date

CITY OF PALO ALTO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Molly Stump, City Attorney

2/1/2024

Date

APPROVED:


Ed Shikada, City Manager

1/31/2024

Date

CITY OF SAN JOSE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

Kevin Fisher

Kevin Fisher, Assistant City Attorney

Feb 16, 2024

Date

APPROVED:



Toni J. Taber, City Clerk

16 February 2024

Date

CITY OF SANTA CLARA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


GLEN R. GOOGINS
CITY ATTORNEY

1/20/24

Date

APPROVED:


Jovan Grogan, City Manager

1/30/24

Date

CITY OF SARATOGA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

DocuSigned by:
Richard Taylor
Richard Taylor, City Attorney

1/26/2024
Date

APPROVED:

DocuSigned by:
James Lindsay
James Lindsay, City Manager

1/26/2024
Date

CITY OF SUNNYVALE

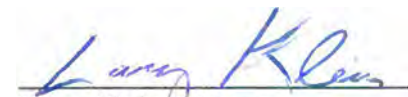
IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

 RebeMoon, Interim 
City Attorney

1/29/24
Date

APPROVED:


Larry Klein, Mayor

01276.0002 2046032.1

January 29, 2024
Date

BYLAWS

CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY

ARTICLE I

PURPOSE AND PRINCIPAL PLACE OF BUSINESS

Section 1. Purpose. The following Bylaws provide for the administration and management of the Cities Association of Santa Clara County Joint Powers Agency (“Agency”). The Agency was established through its member Cities’ adoption and approval of a Joint Powers Agreement (“Agreement”), attached hereto. The member Cities include Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Morgan Hill, Monte Sereno, Mountain View, Palo Alto, San José, Santa Clara, Saratoga, and Sunnyvale. Under Article 26 of the Agreement, the Board of Directors for the Agency shall adopt these Bylaws to establish the operating procedures and standards for the Agency. In the event of any conflict between these Bylaws and the Agreement, the Agreement shall prevail.

Section 2. Principal Place of Business. The principal place of business of this Agency shall be such place within the County of Santa Clara as may be designated from time to time by the Board of Directors of this Agency; and if none has been so designated, such place of business shall be the City Hall of the City of which the Agency President is a member of the legislative body.

ARTICLE II

MEMBERSHIP

Section 1. Membership. Each City in Santa Clara County which has approved and executed the Agreement establishing this Agency, and which has paid in full the dues required under Article VII of these Bylaws shall be a member of this Agency.

Section 2. Suspension. As provided in Article 18.1.4 of the Agreement, if a member City elects to relinquish its status as a member of the Agency, or if a member City fails to be represented at four (4) or more consecutive meetings of the Board of Directors, then the Board of Directors may suspend that member City. As further provided in Article 21, any member City which is delinquent in payment of its dues shall automatically be deemed suspended from membership sixty (60) days after the date on which payment is due if the full payment has not been received, and it shall be the duty of the Secretary/Treasurer to promptly notify the City of its delinquency. Once suspended, the member City may not have any representation on the

Board of Directors and may not vote on matters coming before the Board of Directors. A suspended member City shall be restored to full membership upon its payment of the total dues assessment then due and payable in accordance with Article VII, Section 2.

Section 3. Associate Members. As provided in Article 32 of the Agreement, a non-City local agency may become an Associate Member upon application to and approval by the Board of Directors and execution of an Associate Membership Agreement. Such Associate Members shall also pay a membership fee as determined by the Board of Directors that considers that considers the Associate Member's jurisdictional scope and the number of residents it serves, the role of the Associate Member in the Agency, and the benefits received by the Associate Member through membership in the Agency.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Selection and Tenure. In accordance with Section 8.1 of the Agreement, the Board of Directors of this Agency shall be composed of a representative from each member City, selected by and from the legislative body thereof. Each Board member shall hold office at the pleasure of his or her City's legislative body, and selection shall be made in such manner as the respective legislative bodies of member Cities may themselves determine.

Section 2. Alternates. The legislative body of a member City shall select from among its members an alternate to represent that City on the Board of Directors and vote in the absence of the member from that City.

Section 3. Notice of Appointment. The legislative body of each member City shall, immediately upon the selection of one of its members as a member of Board of Directors, or as alternate, advise the Secretary/Treasurer of such appointment.

Section 4. Ex Officio Members. The Santa Clara County City Managers Association shall serve as advisors to the Agency and may appoint one of its members to serve as an ex officio member of the Board of Directors. The ex officio member may participate in deliberations but shall not participate in voting or in any of the privileges of membership, and shall not be counted for the purpose of determining whether a quorum of the Board is present.

Section 5. Compensation. No member of the Board of Directors, including officers, shall receive any compensation from the Agency for his or her services as a member of the Board. No member of the Board, including officers, shall be entitled to reimbursement from the Agency for expenses incurred on Agency business unless such reimbursement shall be authorized in advance by the Board of Directors, or unless such reimbursement is authorized and distributed by the member's respective city.

Section 6. Duties. It is the responsibility of the members of the Board to report to and solicit comments from their fellow City Council members on major issues and to keep their City Councils informed on the business of the Agency.

ARTICLE IV

OFFICERS

Section 1. Officers Designated. In accordance with Article 10 of the Agreement, the following officers shall be elected by the Board of Directors: President, First Vice President, Second Vice-President and Secretary/Treasurer. Officers shall be selected by the Board of Directors, from the Council Members and Mayors of member Cities.

Section 2. Term of Office.

a. The regular term of office for all officers shall commence upon election and shall be for a period of one (1) year. No person shall hold the same office for more than two (2) consecutive full terms.

~~b. Election of officers shall take place at the first meeting of the Board of Directors and annually thereafter at the regular meeting of the Board of Directors in November.~~

~~e.b.~~ In the event a vacancy occurs during any officer's term of office, the Board of Directors shall determine whether to fill the unexpired portion of the term and may request that the President establish a nominating committee, as set forth in Section 6 below. If a vacancy occurs in the position of President, the Board of Directors shall fill the position at the next regular meeting or at a special meeting called to fill the vacancy, as provided in Article 10 of the Agreement. A person appointed to fill the unexpired portion of the term is not rendered ineligible to hold the same office in accordance with the provisions of Article IV, Section 2(a).

Section 3. Duties.

a. President. It shall be the duty of the President to preside at the meetings of the Board of Directors and to perform such other duties as ordinarily pertains to the office of President of like types of organizations.

b. Vice Presidents. It shall be the duty of the First and Second Vice-Presidents, in that order, to act in the place and stead of the President during the President's absence or inability to act.

c. Secretary/Treasurer. Consistent with Articles 16 and 17 of the Agreement, the Secretary/Treasurer shall be responsible for the review of all financial accounts and records and the disbursement of funds by the Agency so that they are in accordance with the Agreement, these Bylaws, and the directions of the Board of Directors. In accordance with Section 9.3 of the Agreement, the Secretary/Treasurer shall see that minutes of all Board and Committee meetings are recorded. The day-to-day operation and performance of the Secretary/Treasurer's duties may be delegated

to an Executive Director for the Agency, but in that instance, the Executive Director shall not become an Officer or Board member for the Agency.

Section 4. Executive Director. In accordance with Section 14.1.1 of the Agreement, the Board of Directors may contract with an independent consultant to serve as Executive Director until the Executive Director resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The Executive Director shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 5. General Counsel. In accordance with Section 14.1.2 of the Agreement, the Board of Directors may contract with an independent consultant to serve as General Counsel until the General Counsel resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The General Counsel shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 6. Nominating Committee. A nominating committee consisting of three (3) Board members shall be appointed by the President no later than two (2) meetings before the meeting at which officers for the following year will be elected. The President shall appoint at least one (1) Executive Committee member and at least one (1) Board member who is not a member of the Executive Committee to the nominating committee. At the meeting immediately preceding the meeting for the election of officers, this nominating committee shall present its nominations for officers for the following year. Additional nominations may be made from the floor at the meeting where the election is to be conducted, providing the consent of the nominee has been secured.

ARTICLE V

MEETINGS

Section 1. Schedule and Locations. Regular meetings of the Board of Directors shall be held, at a minimum, every other month at a time and location determined by the Board of Directors. The Board of Directors shall schedule periodic meetings of the general membership, to include all members of legislative bodies of member Cities.

Section 2. Notice and Meetings. The Agency is a legislative body for purposes of the Brown Act (Govt. Code 54950 *et seq.*). Notice of the time and place of all regular meetings shall be given in writing by the Secretary/Treasurer or a designee to all members of the Board at least three (3) days prior to the meeting. Such notices may be sent by electronic mail. Notice of special meetings shall be given by the Secretary/Treasurer or a designee to all Board members at least one (1) day in advance and in the manner required by the Brown Act. The Secretary/Treasurer or designee shall be responsible for preparing and posting agendas of regular Board meetings at least 72 hours prior to the meeting and in compliance with the Brown Act.

Section 3. Quorum. A majority of the members of the Board of Directors shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the President.

Section 4. Voting. The affirmative vote of a majority of the members of the Board of Directors present at a meeting, rather than a majority of all of the Board of Directors' members, shall be sufficient for approval of a proposed action. Each member City shall have one vote.

Section 5. Rules of Order. Subject to the provisions of these By-Laws, the meetings of the Board of Directors shall be governed by Rosenberg's Rules of Order.

ARTICLE VI

COMMITTEES

Section 1. Standing Committees.

- a. **Executive Committee.** The Executive Committee shall act to accomplish, administer and facilitate the goals and the purposes of the Agency at the direction of the Board of Directors. As provided in Article 11 of the Agreement, the Executive Committee shall consist of the officers of the Board of Directors ; including the Immediate Past President, if still a Council Member or Mayor of a member City. If the Immediate Past President is no longer a Council Member or Mayor of a member City, a Director at Large may be appointed to the Executive Committee to fill the vacancy. The Director at Large shall be a Council Member or Mayor of a member City appointed by the President upon approval of the Board. The Vice Chair of the Legislative Action Committee shall be appointed to serve on the Executive Committee in the absence of the Chair of the Legislative Action Committee.
- b. **Legislative Action Committee.** The membership of the Legislative Action Committee shall consist of one representative from each member City. The representative shall be a Council Member or the Mayor. Each City shall also appoint an alternate to serve on the Legislative Action Committee in the absence of the designated representative. The alternate shall be a Council Member or the Mayor. Each member City, represented by either the representative or the alternate, shall have one vote. The representative of a member City who serves on the Board of Directors (or alternate to the Board) may also serve as the member City's representative to the Legislative Action Committee (or alternate to the Committee). The purpose of the Legislative Action Committee is threefold. First, the Committee would enable the Agency to advocate on issues of interest to Santa Clara County cities in an organized, effective manner and assist in the development of state-wide legislative policy through local and state government and CalCities. With respect to this advocacy and policy development, the Committee will submit its recommendations to the Board of Directors. If the Board accepts a

recommendation, the Chair of the Committee will transmit the Agency's position to the appropriate official, committee, or policy-making body. Second, the Committee would provide basic legislative information to cities with little or no legislative staff, upon request. Third, the Chair of the Committee and the Board President may organize emergency responses to urgent legislative issues, consistent with prior decisions made by the Board of Directors.

- c. **City Selection Committee.** The City Selection Committee shall have the membership and purposes set forth in Government Code sections 50270-50279.4 and shall be governed by the requirements of such sections. In accordance with state law, the membership of the City Selection Committee shall consist of the Mayor of each City in the County, whether or not any such City is a member of the Agency. When the Mayor is unable to attend a meeting of the City Selection Committee, the Mayor shall designate another member of the city's legislative body to attend and vote at the meeting as the Mayor's representative. Eight (8) votes are required to appoint representatives to boards, commissions or agencies.

Section 2. Other Committees Authorized.

- a. A nominating committee will be appointed as required and in accordance with the provisions of Article IV.
- b. The President, with the consent and approval of the Board of Directors, may appoint such committees as may be necessary from time to time, and designate the chair and the purpose of each such committee. Subject to the Board of Directors' consent and approval, any elected official of any member City shall be eligible to serve upon any such committee.

Section 3. Quorum. A majority of the members of each committee shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the Chair.

ARTICLE VII

FINANCES

Section 1. Budget. In accordance with Article 8.3.5 of the Agreement, on or before April 30 of each calendar year, the Board of Directors shall approve a budget for the Agency for the fiscal year commencing with July 1 of the same calendar year. A copy of the budget when approved and a copy of the final budget when adopted shall be transmitted to each member City.

Section 2. Significant Programs. In accordance with Article 15 of the Agreement, any program or activity that requires \$10,000 or more (as adjusted by CPI) in annual expenditures shall require approval by a two-thirds vote of the members of the Board of Directors. Any components of the annual operating budget proposed pursuant to Article VII, Section 1 that qualify as a significant program shall be subject to this two-thirds vote approval requirement,

whether those significant programs are proposed as a part of the annual operating budget or as a subsequent, mid-year budget adjustment.

Section 3. Dues. Each Member City shall pay to this Agency annual membership fees in accordance with a dues schedule adopted by the Board of Directors as part of the annual operating budget on or before April 30 of each year. Dues shall be for the fiscal year commencing July 1 and shall be an amount for each member City based upon the approved annual operating budget. The full amount shall be due and payable on or before July 1 of each year. Any City becoming a member of this Agency during a fiscal year shall pay the full dues for that year prior to exercising any rights of membership.

Section 4. Funds. All funds received by the Agency from the membership or any other source shall be deposited in a financial institution or institutions determined by the Secretary/Treasurer and disbursed only by persons designated by the Board of Directors as signers on the account including the Executive Director, the Secretary/Treasurer, and the President.

Section 5. Accounting. In accordance with Article 16 of the Agreement, every year, an audit of the Agency's finances shall be completed and copies thereof shall be filed with the Board of Directors and the County Auditor for Santa Clara County. Upon request, a complete written account of all receipts and disbursements during the previous year, showing the opening and closing balances shall be prepared by the Secretary/Treasurer or a designee. Copies thereof shall be made available to the Board of Directors. On a quarterly basis, bank and reconciliation statements shall be reviewed and approved by the Secretary/Treasurer. Quarterly reports of accounting and investments shall be prepared and made available to the Board of Directors by the Secretary/Treasurer or a designee.

ARTICLE VIII

ADOPTION AND AMENDMENTS

Section 1. Adoption. These Bylaws shall become effective upon the affirmative vote of a majority of the Board of Directors present and voting.

Section 2. Amendments. These Bylaws may be amended only in the following manner: Proposed amendments shall be submitted in writing to the Board of Directors for approval, and if approved, shall thereafter be submitted in writing to each member City of the Agency at least thirty (30) days before action thereon is required by the membership. An affirmative vote of the majority of the Board of Directors present and voting shall be required for approval.

RESOLUTION NO. 25-084

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
APPOINTING VICE MAYOR KITTY MOORE TO THE BOARD OF
DIRECTORS OF THE CITIES ASSOCIATION OF SANTA CLARA COUNTY
FOR THE 2026 TERM AND IN SUPPORT OF HER ELECTION TO ITS
EXECUTIVE COMMITTEE**

WHEREAS, the City of Cupertino is a member of the Cities Association of Santa Clara County ("CASCC") and is therefore entitled to appoint one City Councilmember to serve as Director on the CASCC Board of Directors and one to serve as an alternate to the Board of Directors.

WHEREAS, Cupertino Councilmember, Kitty Moore, currently serving as Vice Mayor in 2025, is a Civil Engineer and a certified paralegal who has served the City of Cupertino as a City Councilmember and Planning Commissioner for over six years, and has represented the City as a Director on the CASCC Board of Directors and a member of the CASCC Legislative Action Committee since January 2025.

WHEREAS, Councilmember Kitty Moore has served on the Cupertino Audit Committee for three years and has solid experience in budgeting, reviewing expenditures, and thoughtfully evaluating financial policy. Kitty Moore has served for three years on the Cupertino Legislative Review Committee working with a Sacramento-based lobbying firm, is well informed of the state legislative process, and following the legislative process diligently.

WHEREAS, Councilmember Kitty Moore has been elected by regional members to serve as Vice Chair of the Santa Clara Valley Water Commission and as Chair of the Valley Transportation Authority Policy Advisory Committee for two consecutive years, demonstrating that her ability to lead is respected by her peers in other cities through service on these regional bodies (see Councilmember Moore's Application for Cities Association Executive Committee as Exhibit A).

NOW, THEREFORE, BE IT RESOLVED,

That the City Council of the City of Cupertino hereby appoints Councilmember Kitty Moore to represent the City of Cupertino as a member of the CASC Board of Directors for the 2026 term beginning in January 2026.

BE IT FURTHER RESOLVED,

That the City Council of the City of Cupertino hereby endorses Councilmember Kitty Moore to represent the City of Cupertino as a member of the CASC Executive Committee when that election next occurs.

BE IT FURTHER RESOLVED,

That the City Council of the City of Cupertino directs the Mayor, or the Mayor's designee, to transmit this Resolution to the Cities Association of Santa Clara County.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of October, 2025, by the following vote:

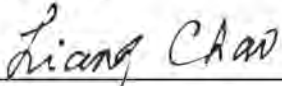
Members of the City Council

AYES: Chao, Moore, Wang

NOES: Fruen, Mohan

ABSENT: None

ABSTAIN: None

SIGNED:  _____ Liang Chao, Mayor City of Cupertino	10/21/2025 _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	10/21/2025 _____ Date

From: Catherine “Kitty” Moore
Vice Mayor, City of Cupertino

To: Nominating Committee and Board Members: Larry Klein, Mayor of Sunnyvale/Board President, Tina Walia, Saratoga Councilmember/First Vice President, and Carmen Montano, Mayor of Milpitas/Board Member

RE: Position(s) Sought: 1st VP, 2nd VP or Secretary/Treasurer

Greetings!

As Vice Mayor of Cupertino, I bring a unique blend of technical expertise, regional leadership experience, and deep community commitment to public service. I am in my second term on city council having been re-elected in 2024 with the highest number of votes, the largest vote margin to the next candidate in Cupertino history, and while running against 4 prior Cupertino Mayors.

As a child growing up in Vermont, my family was on foot stamps; I was financially independent at 18 and I attended university on a AFROTC scholarship working up to three jobs while in school. My husband, siblings, late father and uncles are all veterans of the US Armed Forces. I am mom to two adult sons who work together with my husband on a startup they are building.

I have a technical background working in Civil Engineering (designed street, grading, sewer, storm drains, and conducted hydrology studies, traffic studies, etc.) and am a certified paralegal with a lifelong dedication to learning—most recently completing both Basic and Advanced Environmental Studies Certificates to strengthen my effectiveness as a policymaker. Over the past seven years, I’ve served on the Cupertino City Council and previously as Chair of the Planning Commission, Chair of Cupertino’s Environmental Review Committee (4 years), Legislative Review Committee (served 3 years), Housing Element Strategic Advisory Committee, and Audit Committee (served 3 years). I’ve also represented Cupertino regionally as Vice Chair of the Santa Clara Valley Water Commission, 2-year Chair of the Valley Transportation Authority Policy Advisory Committee, and a Board Member of the Santa Clara County Library District JPA, where I was appointed to the Finance Subcommittee. I currently am appointed as primary to serve on the SCCCA LAC, BOD, and Selection Committee with Mayor Chao as the alternate. My work focuses on fiscally sound governance, transparent leadership, and collaborative solutions that serve all our communities.

My record reflects a strong commitment to environmental protection, public accountability, and smart financial stewardship. I uncovered over \$64 million in idle city funds in 2024—securing higher returns for taxpayers—and established a Fraud, Waste, and Abuse hotline that strengthened internal controls and helped restore public trust after a 14-year embezzlement. Environmentally, I spearheaded action on major cleanup efforts, including identifying more extensive hazardous waste contamination at the Valco site, which led to long-overdue regulatory oversight after years of delays. I’ve championed local environmental ordinances, expanded affordable housing—including homes for extremely low-income residents with developmental disabilities—and secured tens of millions in grants for parks, streets, and public facilities.

I have solid experience with budgets and review spending and financial policy thoughtfully having served 3 years on our Audit Committee and budget formatting subcommittee to increase public engagement and accessibility to the complexities of municipal budgeting. While the JPA budget is not as complex, having good policies in place and experience with oversight would be helpful for the organization. I have served 3 years on our Legislative Review Committee which is supported by a lobbyist. I understand the importance of having a legislative platform, and to fairly listen to committee members, along with the legal requirements conducting meetings and have advocated successfully for these to be met at the LAC where they were not. The LAC needs to have some consensus on a basic platform, fairness in proposing bills, and a reasonable limit to their number.

The JPA overall, will always need thoughtful stewards to promote a democratic body which supports and advocates for the needs of the member cities to fulfill the JPA Agreement Purposes particularly such as being a forum for the wider community and creating more opportunities to discuss approaches to each city's strategies on regional issues. This year's members, for instance, could have Article 2 – Creation and Purposes presented as an online survey, perhaps with additions from the President, to grade ourselves on our performance with comment space available for each item and the results could inform the JPA for next year's work plan direction.

I would be humbled and honored to be able to bring this depth of experience, integrity, and results-driven leadership to the Santa Clara County Cities Association and look forward to supporting our cities to have solid, collective input from all members, as 1st Vice President, 2nd Vice President or Secretary/Treasurer.

Thank you all for your service to the Cities Association, your individual cities, and to all our constituents. The countless hours providing for and advocating for our region are genuinely appreciated!

Best regards,

Kitty Moore

Joint Powers Agency Agreement for Cities Association of Santa Clara County

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;

- 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
- 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 et seq., as amended and make appointments to regional and local bodies as provided by law;
- 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;
- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
- 2.1.9 Strengthen the Members' and Agency's standing at the regional, State and Federal level;
- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

JOINT POWERS AGENCY AGREEMENT FOR CITIES ASSOCIATION OF SANTA CLARA COUNTY

This Joint Powers Agreement ("Agreement" or "JPA") for the Cities Association of Santa Clara County is entered into by and among the cities ("Members"), which are organized and existing under the Constitution and laws of the State of California in which public agencies are located in the County of Santa Clara, and upon approval and full execution of the Agreement, creates the Cities Association of Santa Clara County Joint Powers Agency ("Agency").

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 *et seq.*) permit two or more public agencies by agreement to jointly exercise powers common to the Members; and

WHEREAS, the public agency Members executing this JPA are cities or towns within the jurisdiction of the County of Santa Clara ("County"); and

WHEREAS, the Cities Association of Santa Clara County has existed as an unincorporated association since 1990 and desires to formalize the relationship between its City and Town members and form a Joint Powers Agency in order to carry out activities for the good of all its Members; and

WHEREAS, the Members executing this Agreement, desire to join together to create a separate Joint Powers Agency for the purpose of promoting cooperation among the Members; advocating for positive action; enhancing the quality of life for the residents of the County and their individual cities; and encouraging other joint and cooperative endeavors among the public agencies for their mutual benefit.

NOW, THEREFORE, the Parties agree to the following:

AGREEMENT

ARTICLE 1 - DEFINITIONS

- 1.1 "Associate Member" shall mean any non-city local agency, located within jurisdictional authority of the County of Santa Clara, and shall have duly executed and delivered to the Agency an Associate Membership Agreement in the form of and as further provided in the Bylaws of the Agency, as further provided in Article 32 herein.
- 1.2 "Agency" shall mean the Cities Association of Santa Clara County Joint Powers Agency created by this Agreement.
- 1.3 "Board of Directors" or "Board" shall mean the governing body of the Agency.
- 1.4 "Executive Committee" shall mean the Executive Committee of the Board of Directors of the Agency.

- 1.5 "Fiscal Year" shall mean that period of twelve (12) months which is established by the Board of Directors or the Bylaws as the fiscal year of the Agency, which shall run from July 1 to June 30 of each year.
- 1.6 "Government Code" shall mean the California Government Code, as amended.
- 1.7 "Joint Powers Law" shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code, known as the Joint Exercise of Powers Act, as amended.
- 1.8 "Legislative Body" shall mean the legislative board of each Public Agency that is a Member of the Agency.
- 1.9 "Member" shall mean any city which has executed this Agreement and has become a member of the Agency. The complete list of Members is set forth in Exhibit "A" attached hereto and incorporated herein by this reference.
- 1.10 "Parties" shall mean Members or Associate Members who are party to this Agreement.
- 1.11 "Public Agency" shall mean public agency as defined in Government Code Section 6500, as amended.
- 1.12 Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neutral gender shall be construed to include each other gender, when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions herein shall be construed to effectuate the purposes set forth and to sustain the validity of those purposes.

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;
 - 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
 - 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
 - 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;

- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
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- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

ARTICLE 3 - PARTIES TO AGREEMENT

Each Member, as a Party to this Agreement, intends to and does contract with all other Members as Parties to this Agreement and, with other Public Agencies as may later be added as Parties to this Agreement pursuant to the Joint Powers Law. The withdrawal of any party from this Agreement, pursuant to Article 20, shall not affect this Agreement or the remaining Members' obligations.

ARTICLE 4 - FORMATION; TERM

This Agreement shall become effective when fully executed and returned to the Agency by at least eight (8) Members, but only as to those Members that have executed the Agreement. The Agency shall promptly notify all Members in writing of the effective date. After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar joint powers authority, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5 - CREATION OF THE AGENCY

Pursuant to the Joint Powers Law, there is hereby created a public entity, separate and apart from the Parties hereto, to be known as the "Cities Association of Santa Clara County Joint Powers

Agency" with powers as are set forth herein. Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist.

ARTICLE 6 - POWERS OF THE AGENCY

6.1 Subject to the terms of this agreement, the Agency shall have all of the powers of a public agency as defined in the Government Code Section 6500 as amended and all additional powers set forth in the Joint Powers Law and other statutes applicable to the Joint Powers Agency created hereby and is authorized to do all acts necessary for the exercise of these powers on behalf of its Members. Powers include, but are not limited to, the following, in the Agency's own name:

- 6.1.1 To make and enter into contracts;
- 6.1.2 To incur debts, liabilities, and obligations and to encumber personal property;
- 6.1.3 To acquire, hold, or dispose of personal property, contributions, and donations of personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;
- 6.1.4 To sue and be sued in its own name, and to settle any claim against it;
- 6.1.5 To receive and use contributions and advances from Members as provided in Government Code Section 6504, as amended including contributions or advances of personnel and equipment;
- 6.1.6 To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5, as amended;
- 6.1.7 To acquire, construct, manage, maintain, or operate title to personal property, or rights, or any interest therein;
- 6.1.8 To retain the services of agents, contractors, and consultants;
- 6.1.9 To receive, collect, and disburse monies;
- 6.1.10 To conduct studies, tests, evaluations, and similar activities;
- 6.1.11 To contract for services from Members, including in-kind services;
- 6.1.12 To conduct public outreach and education;
- 6.1.13 To participate in pilot and demonstration projects;
- 6.1.14 To charge for services, programs, and/or systems;
- 6.1.15 To work with elected officials and local, regional, state, and federal agencies, including other joint powers agencies and unincorporated associations to pursue funding, enter agreements and otherwise carry out the purposes of the Agency; and

- 6.1.16 Subject to this Agreement or the Bylaws of the Agency, and only as authorized by the Joint Powers Law, to exercise other reasonable and necessary powers in furtherance or support of any purpose of the Agency.

ARTICLE 7 - RESTRICTIONS ON POWERS

- 7.1 Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.
- 7.2 The Agency shall not have the power of eminent domain.
- 7.3 The Agency shall not have the power of taxation. The Agency may not impose taxes but may receive the proceeds of taxes imposed by other entities or public funds from other entities.
- 7.4 The Agency shall not have the power to acquire, purchase, hold or dispose of real property.
- 7.5 The Agency shall not have the power to hire employees.
- 7.6 The Agency shall not have the power to issue debt.

ARTICLE 8 - BOARD OF DIRECTORS

- 8.1 The Agency shall be governed by the Board of Directors, which shall be composed of one Director representing each Member. Each Member's Legislative Body, according to its own procedures, shall appoint a Member of the Legislative Body as a Director to represent the Member on the Board of Directors. The Director shall serve at the pleasure of their respective Legislative Body. The Legislative Body of each Member shall also appoint one alternate Director ("Alternate") who shall participate in and vote at any meeting of the Board when the primary Director is absent. Any vacancy in a Director or Alternate position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member, the new Member shall be entitled and required to appoint a Director and one alternate Director. Every Director or Alternate shall be a Council Member or Mayor of their individual Member city.
- 8.2 A Director and/or Alternate shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Agency receives written notice from the appointing Member of the removal and/or replacement of the Director or Alternate; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the Director or Alternate; (4) the Agency receives written notice from the Member that the Director or Alternate is no longer qualified as provided in the first paragraph of this Article 8; or as set forth in Article 21.

- 8.3 The Board of Directors shall have the following powers and functions:
- 8.3.1 Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Agency, either directly or by delegation to other bodies or persons;
 - 8.3.2 The Board shall elect an Executive Committee, as provided in Article 11;
 - 8.3.3 The Board shall be the policy setting body of the Agency;
 - 8.3.4 The Board shall appoint or retain the services of necessary agents, consultants, or independent contractors in accordance with Article 14;
 - 8.3.5 The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Agency. Adoption of the budget may not be delegated. The Board shall adopt their budget no later than the first April 30th following formation and then subsequently by April 30th of each successive year. The Board shall review, set, and adopt annual dues to be funded by Agency Members;
 - 8.3.6 The Board shall receive, review and act upon periodic reports and audits of the funds of the Agency, as required under Article 16 of this Agreement;
 - 8.3.7 The Board may adopt policies regarding personnel, conflicts of interest and other matters necessary or convenient for the efficient operation of the Agency;
 - 8.3.8 The Board shall adopt a set of priorities and work plan for each fiscal year; and
 - 8.3.9 Subject to the terms of this Agreement, the Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Agency.

ARTICLE 9 - MEETINGS OF THE BOARD OF DIRECTORS

- 9.1 The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution, or in the Bylaws, the date, time, and location of each regular meeting. The Board or Executive Director, in consultation with the President of the Board as provided in Article 10 below, may call special meetings.
- 9.2 Each meeting of the Board of Directors, including without limitation, regular, adjourned regular and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.
- 9.3 The Agency shall require the Secretary/Treasurer or designee to take and maintain minutes of all regular, adjourned regular and special meetings. As soon as practicable after each meeting, the Secretary/Treasurer or designee shall forward to each Board Member, a copy of the minutes of the meeting.
- 9.4 A majority of the Members of the Board shall constitute a quorum for the transaction of business. Unless otherwise required by law, a vote of the majority of a quorum of the members

present at a meeting is sufficient to take any action, unless otherwise specified in this Agreement. However, less than a quorum may adjourn the meeting to a future date.

9.5 Each Member of the Board shall have one vote.

ARTICLE 10 - OFFICERS

The Board shall elect as Officers of the Agency President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Agency, the Board shall elect the President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President, at the November Board of Directors meeting, or the first meeting held on or after November 1 of each year. ~~All Of the Officers, the President, and at least two other Officers, Officers-Directors~~ must also be members of the Board of Directors or alternates to the Board of Directors. ~~The remaining Officers may be the elected or appointed Mayor or Council Member of any Member of the Agency regardless of whether they are on the Board of Directors.~~ Each Officer shall assume the duties of his or her office upon election. If ~~the President~~ any Officer ceases to be a Member or alternate of the Board, the resulting vacancy shall be filled ~~by the alternate from that City at the next meeting of the Board held after the vacancy occurs, or at a special meeting of the Board called to fill the vacancy.~~ The President shall preside at and conduct all meetings of the Board. Should the Board President not be available then the highest-level Officer, ~~who is a member of the Board of Directors,~~ shall preside. If that individual is unavailable, then ~~any Director appointed by the President may~~ the next highest level Officer shall preside. The Board may appoint other officers as it considers necessary. The duties of the Secretary/Treasurer are set forth in Articles 16 and 17 of this Agreement. The Secretary/Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Secretary/Treasurer, as provided in the Joint Powers Law.

ARTICLE 11 - EXECUTIVE COMMITTEE

At such time as there are nine Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of three (3) Officers consisting of the President, First Vice President, and Secretary/Treasurer, which shall exist thereafter. At such time as there are 11 Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of five (5) Officers, with the addition of the Immediate Past President, which shall exist thereafter. Should the Immediate Past President no longer hold elected office then a Member at Large may be appointed by the Board to serve on the Executive Committee. The qualifications of the Member at Large are that they must be an elected or appointed Mayor or Council Member of a Member of the Agency but need not be on the Board of Directors. The terms of office of the Members of the Executive Committee shall be one year. The Executive Committee shall conduct the business of the Agency between meetings of the Board, exercising all those powers as provided for in this Article, or as otherwise delegated to it by the Board.

The Executive Committee, subject to approval by the Board of Directors, shall exercise all powers or duties of the Board relating to the entering, approval and execution of agreements, leases, and other instruments of or relating to the finances of the Joint Powers Agency within the previously

approved annual budget or amended budget. The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency's annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall obtain approval from the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee. Each meeting of the Executive Committee shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 12 - COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Agency or it may, in the Bylaws or by resolution, delegate this power to the Executive Committee by Resolution. Members of committees, except as otherwise stated in this Agreement, shall be appointed by the President. Each committee shall have those duties as determined by whichever Agency body created it or as otherwise set forth in the Bylaws. Each committee shall meet on the call of its chairperson and shall report to and be directed by whichever entity created it. No more than one representative from each jurisdiction shall serve on each committee. Membership of any committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate decision-making powers and duties only to a committee, a majority of the members of which are Board Members. Any committee, except the City Selection Committee, in which a majority of the members are not Board Members may function only in an advisory capacity. The Legislative Action Committee shall be a permanent Committee of the Agency ~~chaired by the Second Vice President~~whose chair shall be democratically elected by its membership and whose members shall be appointed by the Agency Members. ~~Should there be no Second Vice President, the Legislative Action Committee shall be chaired by the First Vice President.~~ All standing committees shall abide by the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 13 - CITY SELECTION COMMITTEE

The City Selection Committee is established pursuant to State law and the Agency shall administer the City Selection Committee as follows: The City Selection Committee shall be a permanent committee of the Agency, consisting of the Mayor of each City or Town, consistent with Government Code 50270, as amended. The Agency shall allow all cities in the County to participate in the City Selection Committee, whether or not they are members of the Agency.

ARTICLE 14 - PROFESSIONAL SERVICES

14.1 The Board of Directors may contract with individuals or companies to provide the following services at the pleasure of the Board of Directors:

- 14.1.1 Executive Director. The Board shall contract with a consultant or independent contractor to fulfill the following duties of an Executive Director: manage the affairs of the Agency, subject to the general supervision and policy direction of the Board and the Executive Committee; oversee the day-to-day activities of the Agency; select and manage the activities of all consultants and independent contractors to the Agency; be responsible for required filings by the Agency with the State of California; prepare or delegate the preparation of all meeting notices, minutes, and required documentation of the Agency; prepare and propose an annual budget; prepare reports and recommendations for consideration by the Executive Committee or Board; be responsible for billing and collection of annual dues; maintain the records of the Agency; assist Local Agencies in the preparation and filing of applications for participation in the financing programs of the Agency; expedite the processing of these applications; pay all invoices, taxes and amounts due; and perform other duties as are assigned by the Board and Executive Committee. The Executive Director may have the authority to sign agreements, applications, and other documents on behalf the Agency, if authorized by the Board or Executive Committee. The Executive Director shall have the Authority to enter into individual Agreements with a single vendor over the course of a fiscal year, on behalf of the Agency, up to the amount set by the Bylaws.
- 14.1.2 General Counsel. The Board shall contract with a consultant, independent contractor, or law firm to fulfill the duties of General Legal Counsel. The General Counsel shall take direction from the majority of the Board of Directors. The General Counsel shall be a member in good standing of the California State Bar. The General Counsel shall be responsible for the legal affairs of the Agency;
- 14.1.3 Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual financial audits of the Agency;
- 14.1.4 Other services. The Executive Director may hire additional consultants and independent contractors, as appropriate, based upon a previously approved budget;
- 14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System ("PERS"), nor shall any agent, consultant or independent contractor of the Agency become a member of PERS or be entitled to a pension or retirement from PERS as a result of service to the Agency; and
- 14.1.6 The consultants and independent contractors fulfilling the duties of Executive Director, the Auditor, the General Counsel and any other consultants or independent contractors who provide services to the Agency shall be compensated in such manner as shall be approved by the Board and as permitted by applicable law.

ARTICLE 15 - SIGNIFICANT PROGRAMS

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. If the Board deems it necessary, it may

appoint a working committee to study the significant program or activity and provide input to the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$10,000 or more in annual expenditures; this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into a specific program or project Agreement that includes relevant terms regarding the particular affected Members, and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These limited scope Agreements shall be subject to approval by the Board by a two-thirds vote of the Members.

ARTICLE 16 - ACCOUNTS AND RECORDS

- 16.1 The Agency shall adopt an operating budget pursuant to Section 8.3.5 of Article 8 of this Agreement.
- 16.2 The Secretary/Treasurer of the Agency or the Executive Director shall establish and maintain funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Agency shall be open to and made available for inspection at all reasonable times upon request by authorized representatives of the Members.
- 16.3 The Agency shall adhere to the standard of strict accountability for funds and report all receipts and disbursements as set forth in the Joint Powers Law.
- 16.4 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 the prior Fiscal Year to the Board.
- 16.5 The Agency shall either make or contract with a Certified Public Accountant to make an annual Fiscal Year audit of all accounts and records of the Agency, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed as a public record and be provided to each of the Members, and with the County Auditor of the County of Santa Clara. Costs of the audit shall be considered a general expense of the Agency. Any costs of the audit shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for this purpose.

ARTICLE 17 - RESPONSIBILITIES FOR FUNDS AND PROPERTY

- 17.1 The Secretary/Treasurer, or his or her designee, shall have the custody of and disburse the Agency's funds. Proceeds of similar obligations of the Agency may be deposited with a trustee, agent or other depository and shall not be considered the Agency's funds for purposes of this Article. The Secretary/Treasurer may delegate disbursements to persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of Section 17.2 below.

- 17.2 The Secretary/Treasurer or designee shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Secretary/Treasurer shall review the financial statements and the annual audit of the Agency.
- 17.3 Pursuant to Government Code Section 6505.1, as amended, the Executive Director, the Secretary/Treasurer, and other persons as the Board may designate, shall have charge of, handle, and have access to the property of the Agency. The Agency shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in a form specified by the Board of Directors, covering any officers or agents of the Agency who are authorized to hold or disburse funds of the Agency and any officers or agents who are authorized to have charge of, handle and have access to property of the Agency.

ARTICLE 18 - MEMBER RESPONSIBILITIES

- 18.1 Each Member shall have the following responsibilities:
- 18.1.1 To appoint its Director and Alternate to, or remove its Director and Alternate, from the Board, as set forth in Article 8;
- 18.1.2 To consider proposed amendments to this Agreement as set forth in Article 29;
- 18.1.3 To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement; and
- 18.1.4 If a Member provides written notice to the Agency of its election to relinquish its status as a Member, or if a Member fails to be represented at four (4) or more consecutive regular meetings of the Board of Directors, then that Member may be deemed to be a suspended Member, with all the rights and duties of an Associate Member, upon action of the Board of Directors duly adopted. Prior to the suspension, the President shall contact the Mayor and request that another Council Member be appointed or that reinstatement for the current Member be requested. The suspension shall be approved by the Board of Directors. Promptly following that action by the Board of Directors, the Member may be reinstated by informing the Board of its intent to be reinstated within thirty (30) days and to attend all future meetings either via the Director or Alternate. Removal of a Member for failure of the Director to attend meetings shall not relieve the Member from its obligations under any outstanding agreements relating to the Agency's financial obligations, except in accordance with this Agreement.

ARTICLE 19 - NEW MEMBERS

With the approval of the Board, any city located within the County of Santa Clara may become a party as a Member to this Agreement. A city requesting membership shall apply by presenting to the Agency, a resolution of the Legislative Body of the City, evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board. The Agency shall

accept new Members upon a majority affirmative vote of the entire Board and upon payment of any Board determined assessments and fees.

ARTICLE 20 - WITHDRAWAL

A Member may terminate its membership in the Agency at any time upon giving one hundred and eighty (180) days written notice of withdrawal to the Agency. The notice shall be given to the Board of Directors. The effective date shall be the conclusion of the first Board Meeting which occurs after the one hundred and eighty (180) day notice period has passed. Any Member who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations incurred or accrued through the end of the current fiscal year of the Agency. The withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Agency then in effect. In the event of a disagreement between the Agency and the withdrawing Member as to whether the withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Agency, the determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Agency shall provide funds to the Agency, proportionate to their responsibility for the current fiscal year, as if the Member had never left the Agency. A withdrawing Member shall, in all events, remain liable for its proportionate share of: (i) its full amount of its proportionate share of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Agency prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time of the notice of withdrawal.

ARTICLE 21 - REMOVAL

If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can remove the Director and request that the Member who appointed the Director appoint a new Director. The Board may, by two-thirds majority vote of the entire Board, remove a Member based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement as described above. Failure to pay dues within 60 days following notice shall result in a Member becoming suspended with all the rights of an Associate Member. A suspended Member shall immediately have its voting rights restored upon full payment of dues.

ARTICLE 22 - OBLIGATIONS OF AGENCY

The debts, liabilities, and obligations of the Agency shall not be the debts, liabilities, and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency. Nothing in this Agreement shall be interpreted to limit the applicability of the provisions of Government Code Section 895.6.

ARTICLE 23 - TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no financial obligations of the Agency are outstanding, with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Agency shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties to this Agreement, in accordance with the respective contributions of each of the Parties.

ARTICLE 24 - LIABILITY OF BOARD OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS

- 24.1 The Members of the Board of Directors, Officers, and Committee Members of the Agency 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 individually liable for any mistake of judgment, or any other action made, taken, or omitted by them in good faith, nor for any act or omission by any agent, consultant or independent contractor selected with reasonable care, nor for loss incurred, resulting from any action made, taken, or omitted by them in good faith and with reasonable care through investment of Agency funds, or failure to invest.
- 24.2 No Director, Officer, or Committee Member shall be responsible for any act or omission of any other Director, Officer, or Committee Member. Unless otherwise required by law, no Director, Officer, or Committee Member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.
- 24.3 The funds of the Agency shall be used to defend, indemnify, and hold harmless the Agency for any Director, Officer, or Committee Member, for their actions taken within the scope of the Agency. Nothing herein shall limit the right of the Agency to purchase insurance to provide coverage for these types of losses.
- 24.4 These indemnification and defense obligations shall survive the termination of the Agreement as to any acts or omissions occurring before such termination.

ARTICLE 25 - INDEMNIFICATION

To the fullest extent allowed by law, the Agency shall defend, indemnify, and save harmless the Members and their governing bodies, officers, agents and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Agency or the activities undertaken pursuant to this Agreement.

ARTICLE 26 - BYLAWS

The Board shall adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Agency. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Agency.

ARTICLE 27 - NOTICES

The Agency shall address notices, billings, and other communications to a Member as directed by that Member. Each Member shall provide the Agency with the email and physical address to which communications are to be sent. Members shall address notices and other communications to the Agency, at the office address of the Agency, or the email address of the Agency as directed by the Member and as set forth in the Bylaws.

ARTICLE 28 - CODES

The Agency shall adopt and observe a Code of Conduct and Conflict of Interest Policy. The Agency shall comply with all requirements of the Fair Political Practices Commission as required by law or regulation.

ARTICLE 29 - AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of the approval of the amendment by two thirds of the Legislative Bodies of the Members.

ARTICLE 30 - SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected.

ARTICLE 31 - 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 Agency. This Agreement shall be binding upon and shall inure to the benefit of successors of the Members. This Agreement is intended solely for the benefit of the

Agency and its Members. No third party shall be deemed a beneficiary of this Agreement or have any rights against the Agency or its Members.

ARTICLE 32 - ASSOCIATE MEMBERS

Any Public Agency located within the jurisdictional authority of the County of Santa Clara may, with the approval of the Board of Directors, become an Associate Member of the Agency by executing and delivering to the Agency an Associate Membership Agreement and providing an Associate Membership fee and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors, or to vote on any matter coming before the Board of Directors or the Agency, unless a separate written agreement is entered into between the Associate Member and the Agency.

ARTICLE 33 - LIBERAL CONSTRUCTION

The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Agency.

ARTICLE 34 - NON-WAIVER

No waiver of the breach of default of any of the covenants, agreements, restrictions, or conditions of this Agreement by any Member shall be construed to be a waiver of any succeeding breach of the same or other covenants, restrictions, or conditions of this Agreement. No delay or omission of exercising any right, power, or remedy in the event of a breach or default shall be construed as a waiver or a variation of any of the terms of this Agreement or any applicable agreement.

ARTICLE 35 - REMEDIES FOR BREACH

If any Member shall default on any obligation contained in this Agreement, the default shall not excuse any other Member from fulfilling its respective obligations under this Agreement. Any Member shall be entitled to pursue all legal and equitable remedies against another Member in response to any alleged default under this Agreement. Any and all of the remedies provided to the Members, hereunder or by law now or hereafter enacted, are cumulative and the exercise of one right or remedy shall not impair the Members to any other remedy.

ARTICLE 36 - ARTICLE HEADINGS

All article headings are for reference only and are not intended to define or limit the scope of any provision of this Agreement.

ARTICLE 37 - DISPUTE RESOLUTION

- 37.1 The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant, or condition of this Agreement ("Dispute") may first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation, or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation.
- 37.2 Each Member shall bear its own costs, attorney's fees, and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Santa Clara County, California.

ARTICLE 38 - INSURANCE

If available, the Agency shall obtain insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Agency. Insurance under this provision may include an insurance pool program.

ARTICLE 39 - FILING WITH SECRETARY OF STATE

The Executive Director of the Agency shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5, as amended and within seventy (70) days of its effective date as required by Government Code Section 53051, as amended.

ARTICLE 40 - COUNTERPARTS

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

ARTICLE 41 - AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties and supersedes any prior written Agreement between the Members on the same topic.

CITY OF CAMPBELL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

 _____
Brian Seligman, City Attorney

//zs/2'-(

Date

APPROVED:

 _____
Brian Loventhal, City Manager

VzS/zL/

Date

CITY OF CUPERTINO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

The signature of Christopher Jensen is written in black ink. It consists of two diamond-shaped symbols, each containing a question mark, followed by a stylized lowercase 'r'.

Christopher Jensen, City Attorney

Jan 17, 2024

Date

APPROVED:

The signature of Pamela Wu is written in black ink. It is a cursive-style signature that reads "Pamela Wu".

Pamela Wu, City Manager

Jan 17, 2024

Date

CITY OF LOS ALTOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

APPROVED:

 Joe Houston, City Attorney

Gabriela Manager

1-18-24
Date

1/18/24
Date

TOWN OF LOS ALTOS HILLS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Steven Mattas, Town Attorney

1/23/2024

Date

APPROVED:



Peter Pirnejad, Town Manager

01/24/2024

Date

TOWN OF LOS GATOS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:



Gabrielle W. Trivelpiece, Town Attorney

Date

APPROVED:



Katy Nomura, Assistant Town Manager
For Laurel Prevetti, Town Manager

Date

CITY OF MILPITAS

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

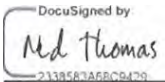


Michael Mutalipassi, City Attorney

Jan-24-2024

Date

APPROVED:



Ned Thomas, City Manager

Jan-24-2024

Date

CITY OF MONTE SERENO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

15?_?
owell, City Attorney

1 - 30 - Lt'

Date

APPROVED:

Steve Leonardis, City Manager

Date

CITY OF MORGAN HILL

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Donald Larkin, City Attorney

1/19/2024
Date

APPROVED:


Christina Turner, City Manager

1/19/2024
Date

CITY OF MOUNTAIN VIEW

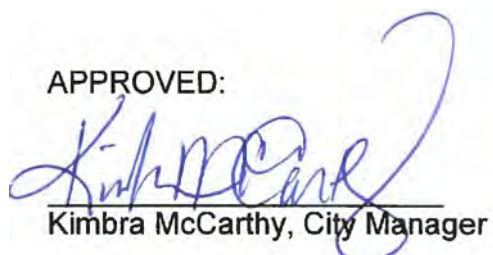
IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Jennifer Logue, City Attorney

1/27/2026
Date

APPROVED:

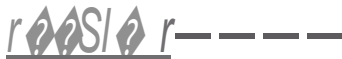

Kimbra McCarthy, City Manager

1/27/2026
Date

CITY OF PALO ALTO

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Molly Stump, City Attorney

2/1/2024

Date

APPROVED:


Ed Shikada, City Manager

1/31/2024

Date

CITY OF SAN JOSE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

Kevin Fisher

Kevin Fisher, Assistant City Attorney

Feb 16, 2024

Date

APPROVED:



Toni J. Taber, City Clerk

16 February 2024

Date

CITY OF SANTA CLARA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

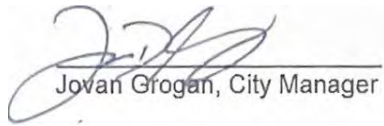
APPROVED AS TO FORM:


GLEN R. GOOGINS
CITY ATTORNEY

1/20/24

Date

APPROVED:


Jovan Grogan, City Manager

1/30/24

Date

CITY OF SARATOGA

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:

DocuSigned by:

Richard Taylor

Richard Taylor, City Attorney

1/26/2024

Date

APPROVED:

DocuSigned by:

James Lindsay

James Lindsay, City Manager

1/26/2024

Date

CITY OF SUNNYVALE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Cities Association of Santa Clara County Joint Powers Agency

APPROVED AS TO FORM:


Rebe Moon, Interim
City Attorney

1/29/24
Date

APPROVED:


Larry Klein, Mayor

01276.0002 2046032.1

January 29, 2024
Date

BYLAWS

CITIES ASSOCIATION OF SANTA CLARA COUNTY JOINT POWERS AGENCY

ARTICLE I

PURPOSE AND PRINCIPAL PLACE OF BUSINESS

Section 1. Purpose. The following Bylaws provide for the administration and management of the Cities Association of Santa Clara County Joint Powers Agency (“Agency”). The Agency was established through its member Cities’ adoption and approval of a Joint Powers Agreement (“Agreement”), attached hereto. The member Cities include Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Morgan Hill, Monte Sereno, Mountain View, Palo Alto, San José, Santa Clara, Saratoga, and Sunnyvale. Under Article 26 of the Agreement, the Board of Directors for the Agency shall adopt these Bylaws to establish the operating procedures and standards for the Agency. In the event of any conflict between these Bylaws and the Agreement, the Agreement shall prevail.

Section 2. Principal Place of Business. The principal place of business of this Agency shall be such place within the County of Santa Clara as may be designated from time to time by the Board of Directors of this Agency; and if none has been so designated, such place of business shall be the City Hall of the City of which the Agency President is a member of the legislative body.

ARTICLE II

MEMBERSHIP

Section 1. Membership. Each City in Santa Clara County which has approved and executed the Agreement establishing this Agency, and which has paid in full the dues required under Article VII of these Bylaws shall be a member of this Agency.

Section 2. Suspension. As provided in Article 18.1.4 of the Agreement, if a member City elects to relinquish its status as a member of the Agency, or if a member City fails to be represented at four (4) or more consecutive meetings of the Board of Directors, then the Board of Directors may suspend that member City. As further provided in Article 21, any member City which is delinquent in payment of its dues shall automatically be deemed suspended from membership sixty (60) days after the date on which payment is due if the full payment has not been received, and it shall be the duty of the Secretary/Treasurer to promptly notify the City of its delinquency. Once suspended, the member City may not have any representation on the

Board of Directors and may not vote on matters coming before the Board of Directors. A suspended member City shall be restored to full membership upon its payment of the total dues assessment then due and payable in accordance with Article VII, Section 2.

Section 3. Associate Members. As provided in Article 32 of the Agreement, a non-City local agency may become an Associate Member upon application to and approval by the Board of Directors and execution of an Associate Membership Agreement. Such Associate Members shall also pay a membership fee as determined by the Board of Directors that considers that considers the Associate Member's jurisdictional scope and the number of residents it serves, the role of the Associate Member in the Agency, and the benefits received by the Associate Member through membership in the Agency.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Selection and Tenure. In accordance with Section 8.1 of the Agreement, the Board of Directors of this Agency shall be composed of a representative from each member City, selected by and from the legislative body thereof. Each Board member shall hold office at the pleasure of his or her City's legislative body, and selection shall be made in such manner as the respective legislative bodies of member Cities may themselves determine.

Section 2. Alternates. The legislative body of a member City shall select from among its members an alternate to represent that City on the Board of Directors and vote in the absence of the member from that City.

Section 3. Notice of Appointment. The legislative body of each member City shall, immediately upon the selection of one of its members as a member of Board of Directors, or as alternate, advise the Secretary/Treasurer of such appointment.

Section 4. Ex Officio Members. The Santa Clara County City Managers Association shall serve as advisors to the Agency and may appoint one of its members to serve as an ex officio member of the Board of Directors. The ex officio member may participate in deliberations but shall not participate in voting or in any of the privileges of membership, and shall not be counted for the purpose of determining whether a quorum of the Board is present.

Section 5. Compensation. No member of the Board of Directors, including officers, shall receive any compensation from the Agency for his or her services as a member of the Board. No member of the Board, including officers, shall be entitled to reimbursement from the Agency for expenses incurred on Agency business unless such reimbursement shall be authorized in advance by the Board of Directors, or unless such reimbursement is authorized and distributed by the member's respective city.

Section 6. Duties. It is the responsibility of the members of the Board to report to and solicit comments from their fellow City Council members on major issues and to keep their City Councils informed on the business of the Agency.

ARTICLE IV

OFFICERS

Section 1. Officers Designated. In accordance with Article 10 of the Agreement, the following officers shall be elected by the Board of Directors: President, First Vice President, Second Vice-President and Secretary/Treasurer. Officers shall be selected by the Board of Directors, from the Council Members and Mayors of member Cities.

Section 2. Term of Office.

a. The regular term of office for all officers shall commence upon election and shall be for a period of one (1) year. No person shall hold the same office for more than two (2) consecutive full terms.

~~b. Election of officers shall take place at the first meeting of the Board of Directors and annually thereafter at the regular meeting of the Board of Directors in November.~~

~~e.b.~~ In the event a vacancy occurs during any officer's term of office, the Board of Directors shall determine whether to fill the unexpired portion of the term and may request that the President establish a nominating committee, as set forth in Section 6 below. If a vacancy occurs in the position of President, the Board of Directors shall fill the position at the next regular meeting or at a special meeting called to fill the vacancy, as provided in Article 10 of the Agreement. A person appointed to fill the unexpired portion of the term is not rendered ineligible to hold the same office in accordance with the provisions of Article IV, Section 2(a).

Section 3. Duties.

a. President. It shall be the duty of the President to preside at the meetings of the Board of Directors and to perform such other duties as ordinarily pertains to the office of President of like types of organizations.

b. Vice Presidents. It shall be the duty of the First and Second Vice-Presidents, in that order, to act in the place and stead of the President during the President's absence or inability to act.

c. Secretary/Treasurer. Consistent with Articles 16 and 17 of the Agreement, the Secretary/Treasurer shall be responsible for the review of all financial accounts and records and the disbursement of funds by the Agency so that they are in accordance with the Agreement, these Bylaws, and the directions of the Board of Directors. In accordance with Section 9.3 of the Agreement, the Secretary/Treasurer shall see that minutes of all Board and Committee meetings are recorded. The day-to-day operation and performance of the Secretary/Treasurer's duties may be delegated

to an Executive Director for the Agency, but in that instance, the Executive Director shall not become an Officer or Board member for the Agency.

Section 4. Executive Director. In accordance with Section 14.1.1 of the Agreement, the Board of Directors may contract with an independent consultant to serve as Executive Director until the Executive Director resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The Executive Director shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 5. General Counsel. In accordance with Section 14.1.2 of the Agreement, the Board of Directors may contract with an independent consultant to serve as General Counsel until the General Counsel resigns or the Board of Directors terminates the services of the consultant pursuant to the terms of a written agreement for professional services. The General Counsel shall have such duties as may be determined by the Board of Directors, consistent with the professional services agreement.

Section 6. Nominating Committee. A nominating committee consisting of three (3) Board members shall be appointed by the President no later than two (2) meetings before the meeting at which officers for the following year will be elected. The President shall appoint at least one (1) Executive Committee member and at least one (1) Board member who is not a member of the Executive Committee to the nominating committee. At the meeting immediately preceding the meeting for the election of officers, this nominating committee shall present its nominations for officers for the following year. Additional nominations may be made from the floor at the meeting where the election is to be conducted, providing the consent of the nominee has been secured.

ARTICLE V

MEETINGS

Section 1. Schedule and Locations. Regular meetings of the Board of Directors shall be held, at a minimum, every other month at a time and location determined by the Board of Directors. The Board of Directors shall schedule periodic meetings of the general membership, to include all members of legislative bodies of member Cities.

Section 2. Notice and Meetings. The Agency is a legislative body for purposes of the Brown Act (Govt. Code 54950 *et seq.*). Notice of the time and place of all regular meetings shall be given in writing by the Secretary/Treasurer or a designee to all members of the Board at least three (3) days prior to the meeting. Such notices may be sent by electronic mail. Notice of special meetings shall be given by the Secretary/Treasurer or a designee to all Board members at least one (1) day in advance and in the manner required by the Brown Act. The Secretary/Treasurer or designee shall be responsible for preparing and posting agendas of regular Board meetings at least 72 hours prior to the meeting and in compliance with the Brown Act.

Section 3. Quorum. A majority of the members of the Board of Directors shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the President.

Section 4. Voting. The affirmative vote of a majority of the members of the Board of Directors present at a meeting, rather than a majority of all of the Board of Directors' members, shall be sufficient for approval of a proposed action. Each member City shall have one vote.

Section 5. Rules of Order. Subject to the provisions of these By-Laws, the meetings of the Board of Directors shall be governed by Rosenberg's Rules of Order.

ARTICLE VI

COMMITTEES

Section 1. Standing Committees.

- a. **Executive Committee.** The Executive Committee shall act to accomplish, administer and facilitate the goals and the purposes of the Agency at the direction of the Board of Directors. As provided in Article 11 of the Agreement, the Executive Committee shall consist of the officers of the Board of Directors ; including the Immediate Past President, if still a Council Member or Mayor of a member City. If the Immediate Past President is no longer a Council Member or Mayor of a member City, a Director at Large may be appointed to the Executive Committee to fill the vacancy. The Director at Large shall be a Council Member or Mayor of a member City appointed by the President upon approval of the Board. The Vice Chair of the Legislative Action Committee shall be appointed to serve on the Executive Committee in the absence of the Chair of the Legislative Action Committee.
- b. **Legislative Action Committee.** The membership of the Legislative Action Committee shall consist of one representative from each member City. The representative shall be a Council Member or the Mayor. Each City shall also appoint an alternate to serve on the Legislative Action Committee in the absence of the designated representative. The alternate shall be a Council Member or the Mayor. Each member City, represented by either the representative or the alternate, shall have one vote. The representative of a member City who serves on the Board of Directors (or alternate to the Board) may also serve as the member City's representative to the Legislative Action Committee (or alternate to the Committee). The purpose of the Legislative Action Committee is threefold. First, the Committee would enable the Agency to advocate on issues of interest to Santa Clara County cities in an organized, effective manner and assist in the development of state-wide legislative policy through local and state government and CalCities. With respect to this advocacy and policy development, the Committee will submit its recommendations to the Board of Directors. If the Board accepts a

recommendation, the Chair of the Committee will transmit the Agency's position to the appropriate official, committee, or policy-making body. Second, the Committee would provide basic legislative information to cities with little or no legislative staff, upon request. Third, the Chair of the Committee and the Board President may organize emergency responses to urgent legislative issues, consistent with prior decisions made by the Board of Directors.

- c. **City Selection Committee.** The City Selection Committee shall have the membership and purposes set forth in Government Code sections 50270-50279.4 and shall be governed by the requirements of such sections. In accordance with state law, the membership of the City Selection Committee shall consist of the Mayor of each City in the County, whether or not any such City is a member of the Agency. When the Mayor is unable to attend a meeting of the City Selection Committee, the Mayor shall designate another member of the city's legislative body to attend and vote at the meeting as the Mayor's representative. Eight (8) votes are required to appoint representatives to boards, commissions or agencies.

Section 2. Other Committees Authorized.

- a. A nominating committee will be appointed as required and in accordance with the provisions of Article IV.
- b. The President, with the consent and approval of the Board of Directors, may appoint such committees as may be necessary from time to time, and designate the chair and the purpose of each such committee. Subject to the Board of Directors' consent and approval, any elected official of any member City shall be eligible to serve upon any such committee.

Section 3. Quorum. A majority of the members of each committee shall constitute a quorum to do business at any such regular or special meeting. Whenever a quorum is not present, the meeting shall be adjourned or postponed to a subsequent time and place as determined by the Chair.

ARTICLE VII

FINANCES

Section 1. Budget. In accordance with Article 8.3.5 of the Agreement, on or before April 30 of each calendar year, the Board of Directors shall approve a budget for the Agency for the fiscal year commencing with July 1 of the same calendar year. A copy of the budget when approved and a copy of the final budget when adopted shall be transmitted to each member City.

Section 2. Significant Programs. In accordance with Article 15 of the Agreement, any program or activity that requires \$10,000 or more (as adjusted by CPI) in annual expenditures shall require approval by a two-thirds vote of the members of the Board of Directors. Any components of the annual operating budget proposed pursuant to Article VII, Section 1 that qualify as a significant program shall be subject to this two-thirds vote approval requirement,

whether those significant programs are proposed as a part of the annual operating budget or as a subsequent, mid-year budget adjustment.

Section 3. Dues. Each Member City shall pay to this Agency annual membership fees in accordance with a dues schedule adopted by the Board of Directors as part of the annual operating budget on or before April 30 of each year. Dues shall be for the fiscal year commencing July 1 and shall be an amount for each member City based upon the approved annual operating budget. The full amount shall be due and payable on or before July 1 of each year. Any City becoming a member of this Agency during a fiscal year shall pay the full dues for that year prior to exercising any rights of membership.

Section 4. Funds. All funds received by the Agency from the membership or any other source shall be deposited in a financial institution or institutions determined by the Secretary/Treasurer and disbursed only by persons designated by the Board of Directors as signers on the account including the Executive Director, the Secretary/Treasurer, and the President.

Section 5. Accounting. In accordance with Article 16 of the Agreement, every year, an audit of the Agency's finances shall be completed and copies thereof shall be filed with the Board of Directors and the County Auditor for Santa Clara County. Upon request, a complete written account of all receipts and disbursements during the previous year, showing the opening and closing balances shall be prepared by the Secretary/Treasurer or a designee. Copies thereof shall be made available to the Board of Directors. On a quarterly basis, bank and reconciliation statements shall be reviewed and approved by the Secretary/Treasurer. Quarterly reports of accounting and investments shall be prepared and made available to the Board of Directors by the Secretary/Treasurer or a designee.

ARTICLE VIII

ADOPTION AND AMENDMENTS

Section 1. Adoption. These Bylaws shall become effective upon the affirmative vote of a majority of the Board of Directors present and voting.

Section 2. Amendments. These Bylaws may be amended only in the following manner: Proposed amendments shall be submitted in writing to the Board of Directors for approval, and if approved, shall thereafter be submitted in writing to each member City of the Agency at least thirty (30) days before action thereon is required by the membership. An affirmative vote of the majority of the Board of Directors present and voting shall be required for approval.