

RESOLUTION 90-6

RESOLUTION OF THE BOARD OF DIRECTORS  
RANCHO MURIETA COMMUNITY SERVICES DISTRICT

AUTHORIZING EXECUTION OF JOINT POWERS AGREEMENT  
FOR FORMATION OF THE SACRAMENTO AREA WATER AUTHORITY  
AND PAYING A PORTION OF THE COSTS THEREOF

WHEREAS, the Board of Directors of the Rancho Murieta Community Services District has previously adopted a "Resolution Supporting Formation of a Joint Powers Authority to Support Surface Water Development to Provide Additional Surface Water Supplies"; and

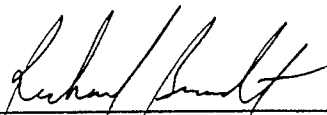
WHEREAS, the Board of Directors finds that authorizing execution of a joint exercise of powers agreement to become a member entity of the Sacramento Area Water Authority would further the objectives of the resolution and would be in the best interests and for the general benefit of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows:


1. The foregoing recitals are true.
2. The Chairman and Secretary are hereby authorized to execute on behalf of the District the "Joint Exercise of Powers Agreement - Sacramento Area Water Authority", in substantially the form presented at this meeting.
3. The board of Directors hereby authorizes the District to pay up to the sum of \$3,000.00 as the District's share of the initial costs and expenses of the Authority. Additional payments shall be subject to further authorization by the Board.

The foregoing resolution was duly passed and adopted by the Board of Directors at a meeting thereof held on the 21st day of March, 1990, by the following roll call vote:

AYES: Directors: Brandt, Devlin, Twitchell, Sullivan  
NOES: None  
ABSENT: None  
ABSTAIN: Director: Reese

  
\_\_\_\_\_  
Richard Brandt, President  
Rancho Murieta Community Services  
District

ATTEST:

  
\_\_\_\_\_  
Secretary

March 27, 1990

Mr. Paul M. Bartkiewicz  
Bartkiewicz, Kronick & Shanahan  
Attorneys at Law  
1330 Twenty-first Street, Suite 200  
Sacramento, CA 95814

Re: Sacramento Area Water Authority

Dear Paul:

Enclosed are the resolutions and agreement that have been approved and executed by the Board of Directors at their meeting held on March 21, 1990.

If you should require additional information please let us know.

Very truly yours,

Marion C. Cravens  
General Manager

MCC:le

Attachments.



*Rancho Murieta Community Services District*

14670 CANTOVA WAY • P.O. BOX 1050 • RANCHO MURIETA, CA 95683 • (916) 354-2428 985-3481 FAX NO. (916) 354-2082

JOINT EXCERCISE OF POWERS AGREEMENT

SACRAMENTO AREA WATER AUTHORITY

This Agreement is made and entered into as of the 21st day of March, 1990, in the County of Sacramento, California, by and between the following parties:

1. Carmichael Water District;
2. Citrus Heights Irrigation District;
3. Clay Water District;
4. Fair Oaks Water District;
5. City of Folsom;
6. Galt Irrigation District;
7. Northridge Water District;
8. Omochumne - Hartnell Water District;
9. Rio Linda Water District;
10. San Juan Suburban Water District; and
11. Rancho Murieta Community Services District

RECITALS

The parties to this Agreement each have and possess the power and authorization to acquire, construct, operate and maintain works and facilities for the development and use of water resources and water rights including, without limitation, facilities to divert, store, pump, treat and deliver water for beneficial uses.

There is a need to investigate participating in cost sharing for projects to develop surface water supplies for the Sacramento area and to properly manage and protect the safe yield of the area's groundwater supplies including, but not limited to,

a multipurpose Auburn Dam Project on the American River, to ensure that the Sacramento area will have sufficient water supplies now and in the future.

These activities can best be achieved through the cooperative action of the Members operating through a joint exercise of powers authority. The Members desire to create a joint exercise of powers authority to exercise those powers in common and to develop and maintain water supplies for their mutual benefit.

Each of the Members is authorized to contract with each other for the joint exercise of any common power under Article 1, Chapter 5, Division 7, Title 1 of the Government Code (commencing with section 6500).

#### COVENANTS

In consideration of the mutual promises and covenants herein contained, the Members agree as follows:

#### PURPOSE AND POWERS

1. Definitions. For the purpose of this Agreement, the meaning of the terms hereinafter set forth shall be the following:
  - a. "Agreement" means this Joint Exercise of Powers Agreement.
  - b. "Authority" means the "Sacramento Area Water Authority" formed pursuant to this Agreement.
  - c. "Board" or "Board of Directors" means the governing body of the Authority as established in this Agreement.
  - d. "Budget" means the approved budget applicable to the expenses of the Authority.

e. "Director" or "Directors" means the director representing a Party to the Authority.

f. "Facility" or "Facilities" means any works financed, constructed or acquired by the Authority, including without limitation, dams, watercourses, drainage channels, conduits, ditches, canals, reservoirs, tanks, pumping plants, treatment plants, hydroelectric generation and transmission facilities, buildings, and other structures utilized for the diversion, control, storage, groundwater recharge, treatment and delivery of waters for beneficial use within the boundaries of the Parties, and for which such Facilities and improvements are required for the purpose of conserving any waters for beneficial use within the boundaries of the Authority, irrespective of the location of such facilities.

g. "Fiscal Year" means July 1, to and including the following June 30.

h. "Member" or "Members" means each of the public entities that becomes a signatory to this Agreement, accepting the rights, responsibilities and obligations of the Authority hereunder, including any public entity executing an addendum of the original Agreement as hereinafter provided.

i. "Project Agreement" means an agreement between and among the Authority and any of its Members or other entities (including associate members) to provide for undertaking and sharing in the cost and benefits of any authorized activity of the Authority.

2. Authority Created. There is hereby created a public entity to be known as the "Sacramento Area Water Authority." The Authority is formed by this Agreement pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California. The Authority shall be a public entity separate from the Parties hereto.

3. Boundaries of the Authority. The geographic boundaries of the Authority shall be coextensive with those of the Members.

4. Purpose of the Agreement; Common Powers To Be Exercised. Each Member has in common the power to study, plan for, develop, finance, acquire, construct, maintain, repair, manage, operate and control facilities for the beneficial use of water either alone or in cooperation with the United States, the State of California, or other public or private entities. The purpose of this Agreement is to jointly exercise the foregoing common powers and for the exercise of such additional powers as may be authorized by law in the manner hereinafter set forth.

5. Existing Water Facilities. Notwithstanding anything to the contrary, the Authority shall not undertake the acquisition, operation or maintenance of any facilities within any Member's boundaries and shall not perform any functions currently performed by or within the powers of a Member within such Member's boundaries, absent written consent of the Member's governing body.

6. Powers. The Authority shall have the power in its own name to do any of the following:

a. To exercise jointly the common powers of its Members in studying, planning and implementing ways and means to provide a reasonable program and plan of operation for obtaining water supplies for beneficial use within the boundaries of the Members.

b. To make and enter contracts necessary to the full exercise of its powers.

c. To contract for the services of engineers, attorneys, planners, financial consultants, and separate and apart therefrom, to employ such other persons as it deems necessary.

d. Subject to the previous paragraph hereof, to acquire, construct, manage, maintain, operate and replace any Facilities.

e. To enter into agreements with the United States of America, the State of California or any other public or private entity for a water supply entitlement and/or to provide a portion of the local contribution which may be required for any Facilities constructed thereby.

f. To acquire, by eminent domain or otherwise, and to hold and dispose of property necessary to the full exercise of its powers.

g. To incur debts, liabilities or obligations subject to limitations herein set forth.

h. To issue bonds, notes and other indebtedness, and to enter into leases, installment sale and installment purchase contracts, all as hereinafter provided.

i. To sue and be sued in its own name.

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

k. To perform all acts necessary or proper to carry out fully the purposes of this Agreement.

l. To take all actions needed to manage and protect groundwater supplies within the boundaries of the Authority.

m. To the extent not herein specifically provided for, to exercise any powers in the manner and according to methods provided under the laws applicable to community services districts.

#### ORGANIZATION

7. Membership. The Members of the Authority shall be each public entity which has executed, or hereafter shall execute, this Agreement, or any addenda, amendment or supplement thereto and which has not, pursuant to the provisions hereof, withdrawn therefrom.

8. Associate Members. A mutual water company, public utility or other nonpublic entity which has the authority to exercise all or a substantial portion of the powers set forth in paragraph 4, may become an associate member of the Authority. The terms and conditions of such associate membership shall be set forth in an agreement between the Authority and the associate



member. An associate member may appoint an associate director and alternate who shall be privileged to sit with the Board of Directors of the Authority, but who shall have no voting rights.

9. Governing Body of the Authority. (a) The business of the Authority shall be conducted by a Board of Directors consisting of one (1) member appointed by each Member.

(b) An alternate Director shall be appointed or selected by and from the governing body of the respective Member. The names of all alternates shall be on file with the Board. The alternates shall assume all rights of the Director representing the appointing Member and shall have the authority to act in the absence of a Director or in the event that a Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Authority.

(c) Each Director and alternate shall hold office from the first meeting of the Board after his or her appointment by the governing body he or she represents until a successor is selected by the Member and the Member so notifies the Authority.

(d) A Director may receive such compensation from the Authority for services as may from time to time be established by the Board. In addition, a Director may be reimbursed for expenses incurred by such Director in the conduct of the Authority's business.

10. Principal Office. The principal office of the Authority shall be established by the Board. The Board is hereby granted full power and authority to change its principal office from one location to another in the boundaries of the Authority. Any change shall be noted by the secretary, but shall not be considered an amendment to this Agreement.

11. Meetings. The Board shall meet at the Authority's principal office or at such other place as may be designated by the Board. The time and place of regular meetings of the Board shall be determined by resolution adopted by the Board; a copy of such resolution shall be furnished to each Member. Regular, adjourned and special meetings shall be called and held in the manner as provided in Chapter 9, Division 2, Title 5 of the Government Code of the State of California, the "Brown Act" (commencing at Section 54950).

12. Quorum. Directors representing at least a majority of the Members shall constitute a quorum for the purposes of transacting the Authority's business, and the vote of a majority of all the Directors shall be required for the Authority to take action.

13. Powers and Limitations Thereon. All the power and authority of the Authority will be exercised by the Board, subject however, to the rights reserved by the Members as herein set forth; provided, however, that the Board may delegate such powers and authority to the Executive Director as the Board may determine by notice, resolution or ordinance.

14. Minutes. The secretary of the Authority shall cause to be kept minutes of all meetings of the Board, and shall cause a copy of the minutes to be forwarded to each Director and to each of the Parties hereto.

15. Rules. The Board may adopt from time to time such rules and regulations for the conduct of its affairs as may be required.

16. Vote or Assent of Parties. The vote, assent, or approval of the Members in any matter requiring such vote, assent or approval hereunder, shall be evidenced by a certified copy of the resolution of the governing board of such Member filed with the Authority.

17. Officers. There shall be selected from the membership of the Board, a chairman and a vice chairman. The Board shall appoint a secretary who may but is not required to be a director; the secretary shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority. The Board shall appoint a treasurer of the Authority who shall be the depository of funds and shall have custody of all money of the Authority, from whatever source. The treasurer shall perform the duties specified in Government Code Section 6506.5, shall also serve as the auditor of the Authority, and shall draw all warrants and pay demands against the Agency approved by the Board. In addition, the Board shall have the power to appoint such additional officers as it deems necessary.

The treasurer and auditor shall serve at the pleasure of the Board. The chairman, vice chairman, and secretary shall hold office for a period of one year commencing July 1 of each and every fiscal year; provided however, that the first chairman, vice chairman and secretary appointed shall hold office from the date of their appointment to June 30 of the ensuing fiscal year. The public officer or officers or persons who have charge of any funds or securities of the Authority shall be bonded and the amount of their bond shall be designated in the applicable budget and thus fixed.

All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workmen's compensation and other benefits which apply to the activity of officers, agents, or employees of any of the Members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Board shall be deemed by reason of their employment by the Board to be employed by any of the Members or by reason of their employment by the Board to be subject to any of the requirements of such Members.

**18. General Manager.** The General Manager of the Authority shall be the chief administrative officer of the Authority, shall serve at the pleasure of the Board of Directors, and shall be responsible to the Board for the proper and efficient administration of the Authority as is or hereafter may be placed

in his charge, or under his jurisdiction or control, pursuant to the provisions of this Agreement, or of any ordinance, resolution or order of the Board. In addition to other powers and duties herein provided and notwithstanding paragraph 13 hereof, the General Manager shall have the power:

(a) under policy direction of the Board, to plan, organize and direct all Authority activities;

(b) to appoint and to remove all Authority employees, all of whom shall serve at the pleasure of the Executive Director, except as is otherwise provided by law or by this Agreement;

(c) to authorize expenditures within the designations and limitations of the approved Budget; and

(d) to make recommendations to and requests of the Board concerning all of the matters and things which are to be performed, done or carried out by said Board.

#### PLANNING

19. Planning Policy. In keeping with the purpose of this Agreement, the Members hereby authorize and direct the Board to undertake and/or participate in such studies and planning as necessary to provide for the purposes set forth in the recitals hereto and in paragraph 4 hereto. To achieve this objective, the studies and planning may include, but not be limited to, proposals for the construction of an upstream storage dam, or other Facilities. The studies and planning shall also consider the

financing methods for such proposals, as well as the allocation of costs among the Parties.

#### PROJECTS

20. Projects. The Authority's projects are intended to consist of developing, designing, rehabilitating, acquiring, constructing or financing Facilities (including sharing in the cost of federal, state or local projects). The Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on its own or in conjunction and cooperation with the United States, the State of California, or any other public or private entity.

21. Project Agreement. Prior to undertaking a project, the Members electing to participate in the project shall enter into a Project Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members which have entered into the Project Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Authority in regard to a particular project shall not be the debts, liabilities, obligations and indebtedness of those Members who have not executed the Project Agreement.

#### BUDGETS AND PAYMENTS

22. Budget. Within 90 days after the first meeting of the Board, and thereafter prior to the commencement of each fiscal year, the Board shall adopt a Budget for the Authority for the ensuing fiscal year.

23. Contributions for Operating Expenses: (a) Each Member shall make an initial contribution <sup>of up to</sup> ~~XXX~~ \$ 3,000.00 to the Authority, and, thereafter, contributions as determined by the Board as required to fund the Budget.

(b) It is understood that upon the formation of the Authority, the Authority shall reimburse the Members for those costs incurred by them for the formation of the Authority.

(c) Contributions or advances of public funds and of personnel, supplies, equipment or property may be made to the Authority by any Member for any of the purposes of this Agreement, with the consent of the Authority. Any such advance may be made subject to repayment as agreed to by the Member and the Authority.

(d) Unless provided otherwise in a Project Agreement, the Members shall share equally in the costs of operating the Authority. Only the Members who enter into a Project Agreement shall be responsible for paying the costs the Authority incurs in implementing the Project Agreement.

(e) It is understood that the Board may arrange for the payment of the expenses of the Authority through some other source, including but not limited to state or federal grants or loans; provided, however, that the Authority may not assess a Member directly for the costs for the operation and maintenance of Facilities, for the payment of administrative expenses or for the satisfaction of any liabilities imposed against the Authority without such Member's consent.

(f) In accordance with Government Code Section

6512.1, repayment or return to the Members of all or part of any contributions made by the Members may be directed by the Board at such time, and upon such terms as may be consistent with any indebtedness incurred by the Authority. The Authority shall hold title to all funds, property and Facilities acquired by it during the term of this Agreement.

#### FINANCING

24. Revenue Bonds. The Board shall have the power and authority to issue revenue bonds, notes or other obligations for the purposes and in accordance with the procedure and requirements set forth in Article 2, Title 1, Division 7 of the Government Code of the State of California (commencing at Section 6540).

25. Improvement Bonds. The Board shall have the power and authority to issue: a) improvement bonds for the purposes and in accordance with the procedures and requirements set forth in the Municipal Improvement Act of 1913, Chapter 1, Division 12, of the Streets and Highways code of the State of California (commencing at Section 10000); b) improvement bonds for the purposes and in accordance with the procedures and requirements set forth in the Improvement Act of 1911, Division 7 of the Streets and Highways Code of the State of California (commencing at Section 5000) and c) improvement bonds for the purposes and in accordance with the procedures and requirements of the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of the State of California (commencing at Section 8500).

26. Other Indebtedness. The Board shall have the power



and authority to issue bonds, notes and other indebtedness, and to execute leases, installment sale contracts or installment purchase contracts for the purposes and in accordance with procedures and requirements as permitted by law.

#### ACCOUNTING AND AUDITS

27. Accounting Procedures. Full books and accounts shall be maintained for the Authority in accordance with practices established by, or consistent with, those utilized by the Controller of the State of California for like public entities. In particular, the Authority's treasurer shall comply strictly with requirements of the statute governing joint powers agencies, Chapter 5, Division 7, Title 1 of the Government Code commencing at Section 6500.

28. Audit. The records and the accounts of the Authority shall be audited annually and copies of such audit reports shall be filed with the State Controller and each Member within six months of the end of the fiscal year under examination.

#### PROPERTY RIGHTS

29. Authority Facilities. All Facilities constructed or acquired by the Authority shall be held in the name of the Authority for the benefit of the membership of the Authority in accordance with the terms of this Agreement, unless a Project Agreement provides otherwise.

30. Liabilities. The debts, liabilities and obligations of the Authority shall be the debts, liabilities or obligations of the Authority alone and not of the Members to this Agreement,

conditions upon which the contribution was made, or other agreement of the Authority and withdrawing Member.

36. Admission of New Members. It is recognized that public entities, other than the original Members, may wish to participate in the Authority. Additional public entities may become Members of the Authority upon such terms and conditions as provided by the Board upon affirmative vote of a majority of all the Directors of the Authority, evidenced by the execution of a written addendum to this Agreement signed by the Members, including the additional Member.

37. Amendments. This Agreement may be amended by majority vote of all Members.

38. Assignment; Binding on Successors. Except as otherwise provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Members hereto.

39. Notice. Any notice or instrument required to be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to the addresses of the Members shall be deemed to have been received by

except as may otherwise be expressly set forth in a Project Agreement.

#### LIABILITY OF BOARD

31. Except as otherwise provided in this Agreement, the funds of the Authority shall be used to defend, indemnify and hold harmless the Authority and any Director for their actions taken within the scope of the authority of the Authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide such coverage as is hereinabove set forth.

#### RESCISSION, TERMINATION, WITHDRAWAL, ASSIGNMENT

32. Term. The Authority shall continue until this Agreement is rescinded or terminated as herein provided.

33. Rescission or Termination. This Agreement may be rescinded and the Authority terminated by unanimous written consent of the Members, except during the outstanding term of any Authority indebtedness. Nothing in this Agreement shall prevent the Members from entering into other joint exercise of power agreements.

34. Disposition of Property Upon Termination. Upon termination of this Agreement, any surplus funds on hand shall be returned to the then Members in proportion to the contributions made. The Board shall first offer any Facilities, rights and interests of the Authority for sale to the Members for good and adequate consideration. If no such sale is consummated, the Board shall offer such Facilities, rights and interests of the Authority for sale to any governmental agency, or other entity for good and adequate consideration. The net proceeds from any sale shall be

distributed among the Members in proportion to the contributions made. If no such sale is consummated, then the Facilities, rights and interests of the Authority shall be allocated to the Members in the same manner as the allocation of the net proceeds from a sale, unless otherwise agreed to by the Members.

35. Withdrawal. (a) A Member may unilaterally withdraw from this Agreement without requiring termination of this Agreement, effective upon sixty days' written notice to the Authority, provided no indebtedness has been incurred under any Project Agreement to which the Member is a participant, and further provided the withdrawing Member pays or agrees to pay its share of all debts, liabilities and obligations of the Authority incurred prior to the effective date of such withdrawal.

(b) In the event the withdrawing Member has any rights in any Facilities or obligations to the Authority, the Member cannot sell, lease or transfer such rights or be relieved of its obligations, except in accordance with a written agreement executed by it and the Authority. The Authority may not sell, lease, transfer or use any rights of a Member who has withdrawn without first obtaining the written consent of the withdrawing Member.

(c) No refund or repayment of the initial commitment of funds shall be made to a Member ceasing to be a Member to this Agreement whether pursuant to this Section or any other Section of this Agreement. The refund or repayment of any other contribution shall be made in accordance with the terms and

the Member to whom the same is addressed at the expiration of 72 hours after deposit of the same in the United States Post Office.

40. Counterparts. This Agreement may be executed by the Members in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

41. Choice of Law. This Agreement shall be governed by the laws of the State of California.

42. Severability. If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Members that the remainder of the Agreement shall not be affected thereby.

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed on the day and year first above-written.

DATE: March 21, 1990

Rancho Murieta Community  
Services District

-By: *Richard E. Brant*

ATTEST:

*Linda D. Eversole*

APPROVED AS TO FORM:

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