

JOINT POWERS AGREEMENT
CITY OF AVENAL OPERATING AUTHORITY (CAOA)
317 Alpine Street, Avenal, CA 93204

This Agreement is made and entered into by and between the Avenal Hospital District (the “District”) and the City of Avenal (the “City”) for the administration of the building and adjacent property located at 317 Alpine Street, Avenal, California 93204 (the “Subject Property”), APN: 040-311-001. These public agencies are sometimes referred to herein as “Parties” and/or “Members.”

RECITALS

WHEREAS, California Government Code Sections 6500, *et seq.*, provide that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, the Parties to this Agreement each have and possess the power to acquire, lease, convey, construct, operate and maintain buildings, offices, and structures similar to and including the Subject Property;

WHEREAS, the District maintains legal title to the Subject Property, APN: 040-311-001, as of the adoption of this Agreement;

WHEREAS the District has leased a portion of the Subject Property to the City under a lease agreement which is presently in effect and was duly authorized and entered into by both parties;

WHEREAS, the Subject Property was originally constructed for use as a hospital but is presently serving the community as a headquarters for the City of Avenal Police Department and Avenal Hospital District Offices;

WHEREAS, it is the goal of the parties to ensure that the Subject Property remains an ongoing resource for public service;

WHEREAS, the City has indicated its desire to assume responsibility for the operations of the Subject Property, including maintenance of any structures on the Subject Property and the grounds thereon, and pay all costs associated with the City’s ongoing exclusive use of the Subject Property;

WHEREAS, the Parties have agreed that the City will contribute all necessary personnel to the Authority needed to operate the Authority and the District will contribute all revenues received from its ownership of the Subject Property to the Authority in exchange for the Authority’s exclusive use of the Subject Property;

NOW, THEREFORE, it is agreed by and between the Parties hereto as follows:

The remaining balance of \$19,319.30 owed to the City as per Agreement No. 1030 for a 2011 Silver Hawk Ford E 350 XL Van/Ambulance, VIN No. 1FDSS3ES4BDB38632 shall be forgiven/waived.

The City of Avenal Police Department shall be granted continued use of the property on the same terms and conditions as the current lease MOU/Agreement No. 925 dated July 16, 2010, including Addendum

No. 1 dated December 10, 2015, for a period of fifty (50) years, terminating on or about December 31, 2068, in order to continue providing Public Safety and Community Services to the City/Community and public at large.

Article I: Definitions

Section 1.01 – Definitions.

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

- (a) “Act” shall mean the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the California Government Code, sections 6500, *et seq.*, including any amendments thereto.
- (b) “Administrator” shall mean the person or entity appointed by the Board pursuant to Section 9.01.01 to manage the operation of the Agency.
- (c) “Authority” shall mean the City of Avenal Operating Authority (CAOA), 317 Alpine Street, Avenal, California 93204 which is a separate entity created by this Agreement pursuant to the provisions of California Government Code sections 6500 *et seq.*
- (d) “Agreement” means this City of Avenal Operating Authority, 317 Alpine Street, Avenal, California 93204, Joint Exercise of Powers Agreement.
- (e) “Board of Directors” or “Board” shall mean the governing body of the Agency as established by Section 6.01 of this Agreement.
- (f) “Bylaws” shall mean the bylaws adopted by the Board of Directors pursuant to Section 9.05 of this Agreement to govern the day-to-day operations of the Agency.
- (h) “Director” and “Alternate Director” shall mean a Director or Alternate Director appointed by a Member pursuant to Section 6.02 of this Agreement.
- (i) “Ex Officio Member” shall mean an entity invited to participate in the Agency pursuant to Section 5.02 of this Agreement.
- (j) “Fiscal Year” shall mean July 1st through June 30th pursuant to Section 10.03 of this Agreement.
- (k) “Member” or “Members” shall mean the local agencies listed in the attached Exhibit “A” that have executed this Agreement, including any new Members that may subsequently join this Agency with the authorization of the Board, pursuant to Section 5.02 of this Agreement.
- (l) “Subject Property” shall mean the property located at 317 Alpine Street Avenal, California 93204 also known as the “Ken Brown Public Safety Center”.

Article II: Agency Creation

Section 2.01 – Creation of the Agency.

There is hereby created a joint powers agency known as the “City of Avenal Operating Authority (CAOA)”, 317 Alpine Street, Avenal, California 93204 (the “Authority”). The Authority shall be, to the extent provided by law, a public entity separate from the Members of this Agreement.

Section 2.02 – Purpose of the Authority.

The purpose of this Agreement, and the creation of the Authority, is to provide for the joint exercise of powers common to the Members, to specifically include the leasing, administration, maintenance, operation, conveyance, and ownership of the Subject Property.

It is understood that City staff shall be responsible for the day-to-day management of the property and handling of the District's funds to pay District's obligations. However, City is not assuming any of the District's debts or obligations and the District shall hold the City harmless and indemnify the City from any claims, demands or actions, if any, brought against the City for any District debt.

City shall have a right to allocate staff time devoted to the District's work/functions and charge the District accordingly. City shall have a right to allocate staff time devoted to the District's work/functions and charge the District accordingly.

Article III: Term

Section 3.01 – Term.

This Agreement shall become operative on the Effective Date, provided that all Members listed in Exhibit A have executed this Agreement by said date.

This Agreement shall remain in effect until terminated by the unanimous written consent of all then active Members or until there are less than two Members remaining in the Agency; provided, however, that this Agreement shall remain in effect during the term of any contractual obligation or indebtedness of the Agency that was previously approved by the Board.

Termination of this agreement shall not adversely affect the City of Avenal Police Department's occupation, use and utilization of the property which is under a separate Lease Agreement with an extended term of fifty (50) years expiring on December 31, 2068.

Article IV: Powers

Section 4.01 – Powers.

The Authority shall possess the ability to exercise those powers specifically granted by the Act. Additionally, the Authority shall possess the ability to exercise the common powers of its Members related to the purposes of the Authority, including, but not limited to, the following:

- 4.1.1 To employ agents and employees.
- 4.1.2 To obtain legal, financial, accounting, technical, engineering, and other services needed to carry out the purposes of this Agreement.
- 4.1.3 To perform periodic reviews of the Authority including submittal of annual reports.
- 4.1.4 To issue revenue bonds or other appropriate public or private debt and incur debts, liabilities or obligations.
- 4.1.5 To exercise the powers permitted under Government Code section 6504 or any successor statute.

4.1.6 To levy taxes, assessments, charges and fees as provided by law.

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

4.1.8 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 or other public or private entities necessary for the Authority's full exercise of its powers.

4.1.9 To acquire by negotiation, lease, purchase, construct, hold, manage, maintain, operate and dispose of any buildings, property, water rights, works or improvements within and without the respective boundaries of the Members necessary to accomplish the purposes described herein.

4.1.10 To sue or be sued in its own name.

4.1.11 Any additional powers conferred under the laws of the City or County of Kings, or the Act or under applicable law, insofar as such powers are needed to accomplish the purposes of the Agreement, including all powers granted to the Authority under Article 4 of the Act which are in addition to the common powers of the Members, including the power to issue bonds or otherwise incur debts, liabilities or obligations to the extent authorized by the Act or any other applicable provision of law and to pledge any property or revenues of the rights thereto as security for such bonds and other indebtedness.

4.1.12 Any power necessary or incidental to the foregoing powers in the manner and according to the procedures provided for under the law applicable to the Members to this Agreement and to perform all other acts necessary or proper to fully carry out the purposes of this Agreement.

Section 4.02 – Exercise of Powers.

In accordance with California Government Code section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the County of Kings.

Section 4.04 – Preservation of Powers.

Nothing set forth in this Agreement is intended to abrogate the powers of any Member, independent of the Agency, including but not limited to police power, as applicable.

Article V: Membership

Section 5.01 – Members.

The Members of the Authority shall be the local agencies listed on the attached Exhibit "A", so long as their Membership has not been withdrawn or terminated pursuant to the provisions of Article XI of this Agreement.

Section 5.02 – Admission to Membership.

Any public agency that has not executed this Agreement on or before its effective date shall be admitted to membership upon the approval of the Board of Directors, the payment of any applicable fees and charges and upon becoming a signatory of this agreement.

Section 5.03 – Meetings of Members.

Meetings of Members shall be held at such location in the State of California as may be designated from time to time by the Board of Directors. Each Member shall appoint one (1) representative and one (1) alternate to represent and vote for the Member at all meetings of Members and meetings of classes of members. Each representative (or alternate) shall have the voting rights provided for in Section 6.05.

Section 5.04 – Regular Annual Meeting.

The Members shall meet annually during the first quarter of each year, at a time and place set by the Board, or at such other times as may be determined by the Board, for the purpose of transacting such proper business as may come before the meeting. If the date fixed for the regular meeting of Members falls on a legal holiday specified in Section 6700 of the Government Code, such meeting shall be held at the same hour and place on the next succeeding full business day.

Section 5.05 – Special Meetings of Members.

Special meetings of the Members shall be called by the Board of Directors and held at such times and places within the State of California as may be ordered by action of the Directors.

Section 5.06 – Notice of Meetings.

Except in the case of emergencies, written notice of every meeting of Members shall be either personally delivered or mailed by First Class United States mail, postage prepaid, to each Member, at least seven (7) days before the date of the meeting. The notice shall state the place, date and time of the meeting. In the case of annual meetings, the notice shall state those matters which the Board of Directors, at the time that notice was given, intends to present for action by the Members. In the case of special meetings, the notice shall include the subject or subjects of the meeting. The notice of any meeting at which Directors are to be elected shall include the names of all those who are nominees at the time the notice is given to the Members.

Section 5.07 – Conduct of Meetings.

The President of the Authority or, in the President's absence, the Vice President, shall be the Chair of and preside over meetings of the Members. The Secretary of the Authority shall act as the secretary of all meetings of Members, provided that the Secretary's absence, the Chair shall appoint another person to act a secretary for the meeting.

Section 5.08 – Rules of Order

A majority of the Members may adopt rules governing meetings if not inconsistent or in conflict with this Agreement.

Article VI: Directors and Officers

Section 6.01 – Board of Directors.

The Authority shall be governed and administered by a Board of Directors (“Board”) which is hereby established and which shall be composed of one (1) voting seat per Member. The governing board shall be known as the **“Board of Directors of the City of Avenal Operating Authority”** 317 Alpine Street, Avenal, California 93204. All voting power shall reside in the Board.

Section 6.02 – Directors and Alternates.

Directors and Alternates shall be appointed as follows:

6.02.01 Members: Each Member shall appoint one Director and one Alternate Director to the Board. The Alternate Director shall serve and assume the rights and duties of the Director when the Director is unable to attend a Board meeting. The Directors and Alternate Directors shall be elected or appointed officials of their governing bodies Members. Directors and Alternate Directors shall serve at the pleasure of the Member appointing them and they may be removed at any time, with or without cause, in the sole discretion of their respective Members. Each Director and Alternate Director shall hold office until their successor is selected by their Member and the Agency has been notified of the succession. In the event that a Director or Alternate Director loses their position as an official of their Member’s governing body, that Director position shall become vacant and that Member shall appoint a new Director.

Section 6.03 – Officers of the Board.

Officers of the Agency’s Board shall consist of a Chairperson and Vice-Chairperson. The Chairperson shall preside at all meetings of the Board, while the Vice-Chairperson shall perform the duties of the Chairperson in the absence or disability of the Chairperson. The Chairperson and Vice-Chairperson shall exercise and perform such other powers and duties as may be assigned by the Board.

Section 6.04 – Appointment of Officers of the Board.

The Board shall annually elect the Officers of the Board from the Directors. Officers of the Board shall hold office for a term of two years commencing on January 1st of every other calendar year and they may serve for multiple consecutive terms. Officers of the Board may be removed and replaced at any time, with or without cause by a Board vote. In the event that an Officer of the Board loses their position as a Director, that Officer of the Board position shall become vacant and Board shall elect a new Officer from existing Board members to serve the remaining Officer term.

Section 6.05 – Voting.

Each Director shall have one (1) vote. A majority vote of the Directors is needed for the adoption of any action, except those which require a supermajority three-fourths vote or a unanimous vote.

Section 6.06 – Supermajority Voting Requirement.

A supermajority vote is three-fourths of the Directors. Items that require a supermajority vote to pass consist of the following, which may be amended from time to time by the Board by a supermajority

vote, or as may otherwise be required by this Agreement (See Sections 8.03, 10.06 and 11.02.02) or by law:

- Bylaws adoption, modification or alteration
- GSP adoption, modification or alteration
- Removal of Advisory Committee members
- Modifications to the composition and number of Advisory Committee members
- Adoption of assessments, charges and fees
- Adoption of regulations and ordinances
- Adoption or modification of annual budget, including capital projects
- Property acquisition (excepting rights of way)
- Appointment of Fiscal Agent and Treasurer, subject to the provisions of Section 8.03 and/or Section 9.04, Administrator, Plan Manager or General Legal Counsel
- Minor, administrative amendments to this Agreement not subject to Section 12.02.02

Section 6.07 – Unanimous Voting Requirement.

Items that require a unanimous vote of the Board to pass consist of the following, which may be amended from time to time by the Board by a unanimous vote, or as otherwise required by law:

- Financial Commitments of the Members, whether through the budget approval process or otherwise

Article VII: Board Committees

Section 7.01 – Committees of the Board.

The Board of Directors may from time to time establish one (1) or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objects of the Authority. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

Article VII: Operations and Management.

Section 8.01 – Administrator and Plan Manager.

8.01.01 Administrator: The Board may appoint an Administrator, from time-to-time as and when it deems appropriate. If appointed, the Administrator shall serve at the pleasure of the Board of Directors and his/her duties and responsibilities shall be set forth by the Board. The Administrator shall have the authority to hire employees, consistent with the approved budget.

8.01.02 Plan Manager: The Board shall appoint a Plan Manager. The Administrator and Plan Manager may be the same individual. The Plan Manager shall serve at the pleasure of the Board of Directors and his/her duties and responsibilities shall be set forth by the Board.

Section 8.02 – Legal Counsel and Other Officers.

The Authority may appoint General Legal Counsel who shall serve at the pleasure of the Board. Subject to the limits of the Agency's approved budget, the Board shall also have the power to appoint and contract for the services of other officers, consultants, advisers and independent contractors as it may

deem necessary or convenient for the business of the Agency, all of whom shall serve at the pleasure of the Board. The appointed General Legal Counsel and other appointed officers of the Agency may be employees or contractors of one or more of the Members, in accordance with Sections 8.03 and 11.04. Appointment of a General Legal Counsel from among Member employees or contractors shall be subject to all applicable Rules of Professional Responsibility, and notwithstanding anything to the contrary in this Agreement, each of the Members expressly reserve and do not waive their rights to approve or disapprove of potential conflicts of Agency General Legal Counsel.

Section 8.03 – Employees and Management.

In addition to, or in lieu of, hiring employees, the Authority may engage one or more Members to manage any or all of the business of the Authority on terms and conditions acceptable to the Board of Directors.

Section 8.05 – Bylaws.

The Board shall adopt Bylaws governing the conduct of meetings and the day-to-day operations of the Agency on or before the first anniversary of the Effective Date of this Agreement.

Section 8.06 – Official Seal and Letterhead.

The Board may adopt, and/or amend, an official seal and letterhead for the Agency.

Section 8.07 – Conflict of Interest Code.

The Board shall adopt and file a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974 within six (6) months of the Effective Date. The Board may review and revise the Conflict of Interest Code from time to time as appropriate or when required by law.

Article IX: Financial Provisions

Section 9.01 – Establishment of Funds.

The Board shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Authority shall maintain strict accountability of all funds and report all receipts and disbursements of the Authority on no less than a quarterly basis.

All fees, costs and expenses incurred by the Authority shall be funded from: (i) the contribution by the District of all of its revenue; (ii) voluntary contributions from third parties, such as grants; (iii) assessments, fees and/or charges levied by the Authority under the relevant provisions of this Agreement.

Section 9.02 – Authority Commitments by the Parties.

The Parties agree to provide the following resources immediately upon the execution of this Agreement: (i) the District shall contribute all of its revenue to the Authority immediately upon the execution of this Agreement until the termination of this Agreement or the District's withdrawal from the Agreement; (ii) the District shall contribute to the Authority the Subject Property in its entirety; (iii) the City shall contribute all necessary personnel required to operate the Authority; (iv) the City shall pay rent to the Authority of one dollar per year (\$1.00) in exchange for the continued exclusive use of the Subject

Property; and, (v) the City shall maintain the Subject Property until the termination of this Agreement or the City's withdrawal from the Agreement. As noted above, the City shall allocate and charge to District City's staff time devoted to District's functions as well as the Authority's functions.

Section 9.03 – Fiscal Year

The Fiscal Year of the Authority shall be July 1 to June 30.

Section 9.04 – Treasurer and Annual Audit.

The Finance Director for the City of Avenal shall act as the initial Treasurer for the Authority. The Treasurer shall perform all usual and customary duties of their offices for the Authority, including but not limited to receiving all deposits, issuing warrants per direction, and other duties specified in Government Code section 6505.5. The Board may transfer the responsibilities of the Treasurer, by three-fourths supermajority vote of the Board, to any other person or entity as the law may provide at the time (see e.g., Government Code section 6505.5). The Board shall cause an independent annual audit to be made by a certified public accountant, or public accountant, in compliance with Government Code section 6505.

Section 9.05 – Funds; Property; Bonds.

The Board may from time to time designate the officers and persons, in addition to those specified in Section 10.04 above, who shall have charge of, handle, or have access to any funds and/or property of the Agency. Pursuant to California Government Code section 6505.1, each such officer and person shall file a bond in an amount designated by the Board.

Section 9.06 – Budget.

The Board shall adopt a budget for the Authority for the ensuing Fiscal Year not later than June 30th of each year. The Board may authorize mid-year budget adjustments, as needed.

Section 9.07 – Payments to the Authority.

All fees, costs and expenses incurred by the Authority may be funded from: (i) voluntary contributions from third parties, such as grants; (ii) voluntary contributions, advances or loans from the Members or other sources; (iii) bond revenue; (iv) taxes, assessments, fees and/or charges levied by the Authority as provided by law; and, (v) subject to the unanimous vote of the Board, assessments on the Members to carry out the activities of the Authority generally applicable to all Members.

Article X: Relationship of Agency and Its Members.

Section 10.01 – Separate Entity.

In accordance with California Government Code Sections 6506 and 6507, the Authority shall be a public entity separate and apart from the parties to this Agreement.

Section 10.02 – Liabilities.

In accordance with California Government Code section 6508.1, the debt, liabilities and obligations of the Authority shall be the debts, liabilities, and obligations of the Authority alone and not of its Members. The Members do not intend hereby to be obligated either jointly or severally for the debts,

liabilities, or obligations of the Authority, except as may be specifically provided for in California Government Code Section 895.2 as amended or supplemented.

Section 10.03 – Indemnity and Insurance.

10.03.01 Indemnity.

Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. To the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member, each Director, and any officers, agents and employees of the Agency from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are attributable in whole or in part, to the conduct, activities, operations, acts, and omissions of the Agency.

10.03.02 – Agency Insurance and Liability Coverage Requirements.

The Authority shall be required to obtain insurance, or join a self-insurance program in which one or more of the Members participate, appropriate for its operations. Any and all insurance coverages provided by the Authority, and/or any self-insurance programs joined by the Authority, shall name each and every Member as an additional insured for all liability arising out of or in connection with the operations by or on behalf of the named insured in the performance of this Agreement. Minimum levels of the insurance or self-insurance program shall be set by the Authority in its ordinary course of business. The Authority shall also require all of its contractors and subcontractors to have insurance appropriate for their operations. All amounts coverages and provisions of the insurance policies identified in this Section 11.03B shall be subject to the approval of Authority Legal Counsel.

Section 10.04 – Agreements with Member Agencies.

The Board may approve agreements with one or more Members that agree to undertake activities to benefit the Authority and further its purposes by a majority vote of the Directors representing the non-contracting Members.

Section 10.05 – Withdrawal of Members.

Any Member shall have the ability to withdraw by providing one hundred eighty (180) days written notice of its intention to withdraw. Said notice shall be given to the Board and to each of the other Members.

A Member shall not be fiscally liable for the adopted budget provided that the Member provides written notice one hundred eighty (180) days prior to the adoption of the budget.

Section 10.06 – Termination of Members.

Any Member's failure to meet its funding obligations pursuant to Sections 9.02 or 9.07 of this Agreement may be treated as a breach of this Agreement and the Board may vote to terminate such Member. Such termination shall be approved by unanimous consent of all Directors except the Director of the Member proposed to be terminated. In lieu of termination, the Board may in its discretion vote to

suspend a Member's voting privileges for failure to meet its funding obligations pursuant to Section 9.02 or 9.07 until the Member has satisfied its funding obligations. Such suspension of voting privileges shall be approved by a supermajority vote, as defined in Section 6.06 above but excepting the Director of the Member proposed to have its voting privileges suspended. In the event a Member's voting privileges are suspended, that Member shall not be counted for purposes of determining a majority or supermajority vote in accordance with Sections 6.05 and 6.06. In the event of termination of a Member, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 10.07 below, and such action by the Board shall not be subject to the requirements of Section 11.02. Before terminating a Member for breach pursuant to this section, the Board must satisfy the meet and confer requirements under Section 11.04. As part of the meet and confer process, the Board and the Member proposed to be terminated may conduct mediation in accordance with Section 11.04.

Any Member's failure to be represented by a Director or Alternate Director of the Member for three (3) consecutive meetings (regular or special) of the Board may be considered a breach of this Agreement for which the Board may vote to suspend a Member's voting privileges for one or more meetings of the Board. Such suspension of voting privileges shall be approved by a supermajority vote, as defined in Section 6.06 above but excepting the Director of the Member proposed to have its voting privileges suspended. In the event a Member's voting privileges are suspended, that Member shall not be counted as a member of the Board for purposes of determining a majority or supermajority vote in accordance with Sections 6.05 and 6.06.

Suspension of a Member's voting privileges under this section shall not excuse that Member from its obligations under this Agreement, including but not limited to, continuing Funding Commitments to the Agency and attendance at meetings.

Section 10.07 – Continuing Obligations upon Withdrawal or Termination.

Except as provided for in Section 10.05, any withdrawal or termination of a Member, shall not relieve the withdrawing or terminating Member of its financial obligations arising under this Agreement prior to the effective date of the withdrawal or termination, including but not limited to financial obligations or guarantees for loans provided by individual Members, if applicable.

The withdrawal or termination of one or more Members shall not terminate this Agreement or result in the dissolution of the Authority. This Agreement shall remain in full force and effect among the remaining members, following the withdrawal or termination of any Member, and the Authority shall remain in operation provided that there are at least two Members remaining in this Agreement, and shall continue to function as the City of Avenal 317 Alpine Street Operating Authority.

Section 10.08 – Dissolution.

The Authority may be dissolved at any time upon the unanimous vote of the Board or the withdrawal of a Member under Section 10.06 of this Agreement. However, the Authority shall not be dissolved until all debts and liabilities of the Authority have been eliminated, or allocated, assigned and assumed by individual Members, or another entity or individual. Upon Dissolution of the Authority, each Member shall receive its proportionate share (in proportion to the contributions made by each Member) of any remaining assets after all Authority liabilities and obligations have been paid in full. The distribution of remaining assets may be made "in kind" or assets may be sold and the proceeds thereof distributed to

the Members. This distribution shall occur within a reasonable time after dissolution. No former member which previously withdrew or was terminated shall be entitled to a distribution upon dissolution.

Section 10.09 – Disposition of Property Upon Termination of Agency or Board Determination of Surplus.

Upon termination of this Agreement or upon determination by the Board that any surplus money is on hand, such surplus money shall be returned to the then Members of the Authority that contributed such monies in proportion to their contributions or such surplus money may be applied to a Board designated reserve account. The Board shall first offer any surplus properties, works, rights and interests of the Authority for sale to the individual Member and the sale shall be based on highest bid. If no such sale is consummated, the Board shall offer the surplus properties, works, rights and interests of the Authority for sale in accordance with applicable law to any governmental agency, private entity or persons for good and adequate consideration.

Article XI: Miscellaneous Provisions

Section 11.01 – Agreement Complete.

The foregoing constitutes the full and complete Agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

Section 11.02 – Amendment.

11.02.01 Minor Amendments.

Minor, administrative amendments to this Agreement may be made by supermajority vote pursuant to Section 6.06.

11.02.02. Other Amendments.

Amendments to this Agreement related to the following provisions may be amended from time to time by the unanimous consent of the Members, acting through their governing bodies. Such amendments shall be in the form of a writing signed by each Member.

- Any change in Powers
- Any change in Board composition, except as already provided for in this Agreement
- Any change in Voting requirements
- Any changes to Liabilities and Indemnification provisions
- Any changes to Termination and Withdrawal provisions
- Elimination of the Advisory Committee

Section 11.03 – Successors and Assigns.

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 assignment or delegation permitted under the terms of this

Agreement shall be consistent with the terms of any contracts, resolutions, or indentures of the Agency then in effect.

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Members hereto. This section does not prohibit a Member from entering into an independent agreement with another agency regarding the financing of that Member's contributions to the Authority or the disposition of proceeds, which that Member receives under this Agreement so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Agency or the Members under this Agreement.

Section 11.04 – Dispute Resolution.

In the event there are disputes and/or controversies relating to the interpretation, construction, performance, termination, breach of, withdrawal from or other issue related to this Agreement, the Members that are party to the dispute (the "Disputing Parties") agree to meet and confer in a good faith attempt to resolve the dispute. On the request of any Disputing Party to meet and confer, the other Disputing Parties agree to provide available dates within 2 days of the meet and confer request. The Disputing Parties may agree to schedule additional meet and confer sessions. If the Disputing Parties are unable to resolve the dispute by meeting and conferring, they shall mediate the dispute. The cost of any such mediation will be borne equally by the Disputing Parties. If the Disputing Parties cannot agree on a mediator, they may select a mediator by alternately striking names from a list of available mediators from a mediation service provider. The Disputing Parties will provide all other Members written notice of any scheduled mediation and the issues subject to mediation at least ten (10) business days prior to the mediation. One (1) representative for each Member not party to the dispute and one Agency staff representative may attend any mediation under this section to represent the Members' and the Agency's interests related to the mediation. The cost of such representatives' attendance shall be borne by the Members and the Authority so represented. The mediator may, in the mediator's sole discretion limit the participation of representatives of Members not party to the dispute and/or any Authority representative in the interest of successfully mediating the dispute.

No settlement of a dispute subject to this section will bind the Authority or any Members not party to the dispute except to the extent the settlement is approved by the Authority Board by unanimous vote of the Directors of the non-disputing Members.

Section 11.05 – Execution in Parts or 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 or electronic signatures shall be binding.

Section 11.06 – Member Authorization.

The governing bodies of the Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

Section 11.07 – No Predetermination or Irretrievable Commitment of Resources.

Nothing herein shall constitute a determination by the Authority or any Member that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation permit requirements, as applicable, have been completed.

Section 11.08 – Notices.

Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the Members hereto on Exhibit "A" of this Agreement, or to such other changed addresses communicated to the Authority and the Members in writing.

Section 11.09 – Severability and Validity of Agreement.

Should the participation of any Member to this Agreement, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Member hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

Section 11.10 – Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

IN WITNESS WHEREOF, the Members hereto, pursuant to resolutions duly and regularly adopted by their respective Board of Directors or governing board, have caused their names to be affixed by their proper and respective officers as of the day and year first above- written.

SIGNATURE LINES

~~CITY OF AVENAL~~
~~AVENAL HOSPITAL DISTRICT~~
By: *Wanda Brown*
Name: WANDA BROWN
Title: Mgr.
Date: 4-23-2018

~~AVENAL HOSPITAL DISTRICT~~
~~CITY OF AVENAL~~
By: *John Whitten*
Name: John Whitten
Title: City Manager
Date: 5-1-18

EXHIBIT A

MEMBERS

City of Avenal

Avenal Hospital District

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Kings)

On May 1, 2018 before me, Dawn Perkins, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Melissa Whitten
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Dawn Perkins
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____