

BEFORE THE BOARD OF SUPERVISORS COUNTY OF PLACER, STATE OF CALIFORNIA

In the matter of:

Resolution No. _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held, _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman of the Board of Supervisors

Attest:
Clerk of the Board

THE BOARD OF SUPERVISORS (the "Board") OF THE COUNTY OF PLACER (the "County"), STATE OF CALIFORNIA, DOES HEREBY RESOLVE THAT:

WHEREAS, the County of Placer (the "County") is a political subdivision of the State of California (the "State"), organized and existing pursuant to the Constitution and laws of the State;

WHEREAS, the County, upon authorization by this Board of Supervisors (this "Board"), may pursuant to Article I (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "JPA Law"), enter into a joint

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exercise of powers agreement with one or more other public agencies pursuant to which such contracting parties may jointly exercise any power common to them; and

WHEREAS, the County and the Placer County Redevelopment Agency (the "Agency") intend to enter into a joint exercise of powers agreement pursuant to the JPA Law (the "**Joint Exercise of Powers Agreement**") pursuant to which the Placer County Public Financing Authority (the "**Authority**") will be created to, among other things, finance and refinance various Public Capital Improvements, as defined in the Marks-Roos Local Bond Pooling Act of 1985 constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "**Bond Pooling Act**");

WHEREAS, under the JPA Law and the Joint Exercise of Powers Agreement, the Authority will be a public entity separate and apart from the parties to the Joint Exercise of Powers Agreement, and the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of any of its members or any representative of any of its members serving on the governing body of the Authority (the "**Authority Governing Board**"); and

WHEREAS, the Authority, when established, will be authorized to exercise those powers enumerated in the Joint Exercise of Powers Agreement, as more fully provided by the JPA Law and the Bond Pooling Act, including but not limited to the authority to purchase at public or negotiated sale certain obligations (the "**Obligations**") issued by members of the Authority and other public agencies, to sell at public or negotiated sale such Obligations or issue and sell at public or negotiated sale bonds secured in whole or in part by such Obligations or by other revenues of the Authority, and to lease real and personal property as lessor and as lessee;

WHEREAS, the County proposes to authorize the execution of the above-referenced Joint Exercise of Powers Agreement, in substantially the form presented to this Board; and

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WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the County is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. Declaration of Board. This Board hereby specifically finds and declares that the actions authorized hereby constitute, and are with respect to, public affairs of the County, and that the statements, findings and determinations of the County set forth in the preambles above and of the documents approved herein are true and correct.

SECTION 2. Joint Exercise of Powers Agreement. The form of Joint Exercise of Powers Agreement, dated as of May 9, 2006, between the County and the Agency, presented to this meeting and on file with the Clerk of this Board (the "**Clerk**"), is hereby approved. The Chairman of this Board is hereby authorized to execute, acknowledge and deliver said Joint Exercise of Powers Agreement in substantially said form, with such changes therein as County Counsel may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. Attestation. The Clerk is hereby authorized and directed to attest the signature of the Board Chair, as may be required or appropriate in connection with the execution and delivery of the Joint Exercise of Powers Agreement.

SECTION 4. Further Actions. The Chairman of this Board, the Vice Chairman of this Board, the Clerk and any other officer or official of the County are and each of them is hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate, carry out, give effect to and comply with the terms and intent of this resolution and the Joint Exercise of Powers Agreement. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

SECTION 5. Effective Date. This resolution shall take effect immediately upon its passage.

PLACER COUNTY PUBLIC FINANCING AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT

This Agreement is executed as of May 9, 2006 by and between the COUNTY OF PLACER (the "County"), a California county and political subdivision of the State of California and the PLACER COUNTY REDEVELOPMENT AGENCY (the "Agency"), a California redevelopment agency organized and operating pursuant to the Community Redevelopment Law (Sections 33000 and following, California Health and Safety Code), hereafter referred to as the Members.

RECITALS

This Agreement is predicated upon the following facts:

A. The Members are public agencies organized and operating under the laws of the State of California.

B. The Placer County Public Financing Authority created by this Agreement (the "Authority") is authorized under the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4, Chapter 5, Division 7, Title 1 (commencing with Section 6584) of the California Government Code, as amended (the "Bond Pooling Act") to, among other things, assist the Members and other local agencies in the financing and refinancing of public capital facilities.

The Authority shall further be authorized to purchase at public or negotiated sale certain qualified obligations, as further defined herein ("Obligations"), issued by Members of the Authority and other public agencies, and sell at public or negotiated sale such Obligations or issue and sell at public or negotiated sale certificates of participation or Authority bonds secured in whole or in part by such Obligations or by other designated revenues.

C. The assistance provided to the Members and other public agencies by the Authority in financing and refinancing of public capital improvements and working capital will result in certain or all of the following significant public benefits to the citizens of the Members and other public agencies:

(1) Demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs.

(2) Significant reductions in effective user charges levied by a local agency.

(3) Employment benefits from undertaking public projects in a timely fashion.

(4) More efficient delivery of services by the Members and other local agencies to residential and commercial development.

D. All capitalized terms used herein are defined in Article III hereof.

NOW, THEREFORE, for and in consideration of the mutual benefits, covenants, and agreements set forth in this Agreement, the parties agree as follows:

ARTICLE I

CREATION OF PLACER COUNTY PUBLIC FINANCING AUTHORITY

Pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "JPA Law"), the parties hereto hereby create a public entity separate and apart from the parties to this Agreement, to be known as the Placer County Public Financing Authority, hereinafter referred to as the "Authority." Pursuant to Government Code Section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any party to this Agreement. A Member may separately contract for or assume responsibility for specific debts, liabilities, or obligations of the Authority. For purposes of, and to the extent required by, Government Code Section 6509, in exercising its powers the Authority shall be subject to the restrictions upon the manner of exercising the powers of the County, except as otherwise authorized or permitted by the JPA Law and the Bond Pooling Act.

ARTICLE II

PURPOSE AND POWERS

The purpose of creating this Authority is to accomplish the purposes of the JPA Law and the Bond Pooling Act, including the financing and/or refinancing of public capital facilities and the purchase of certain Obligations issued by Members of the Authority or other public agencies or the sale of such Obligations or issuance of bonds of the Authority secured in whole or in part by such Obligations, or by any other designated source of revenues, all as permitted by the JPA Law or the Bond Pooling Act. The Authority shall have all powers common to its Members and all powers granted by applicable law, including, without limitation, the JPA Law and the Bond Pooling Act, and is authorized, in its own name, to do all acts necessary to exercise such powers to fulfill the purposes of this Agreement. Without limiting the foregoing, the Authority shall have the power to do each of the following:

- A. Finance and refinance, through the issuance of bonds or other instruments of indebtedness, public capital facilities and working capital and other costs as permitted by the JPA Law and the Bond Pooling Act.
- B. Purchase Obligations.
- C. Incur debts, liabilities, and obligations.
- D. Acquire, hold or dispose of real and personal property by lease, purchase, sale, and other appropriate means.

- E. Receive contributions and donations of property, funds, services, and other forms of assistance from any source.
- F. Sue and be sued in its own name.
- G. Employ agents and employees.
- H. Acquire, construct, rehabilitate, remodel, install, manage, or operate buildings, works, or improvements.
- I. Lease real and personal property (including that of a Member or Local Agency) as lessor and as lessee.
- J. Receive, collect, and disburse monies.
- K. Invest money in the treasury of the Authority in the same manner and on the same conditions as Local Agencies pursuant to Government Code Section 53601.
- L. Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

ARTICLE III

DEFINITIONS

The following definitions shall apply to the provisions of this Agreement:

- A. "Authority" shall mean the Placer County Public Financing Authority.
- B. "Agreement" shall mean this Joint Exercise of Powers Agreement, as it may be amended from time to time, creating the Authority.
- C. "Board" or "Governing Board" shall mean the governing body of the Authority.
- D. "Bond Pooling Act" shall mean the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of the JPA Law.
- E. "Bonds" shall mean bonds, notes, commercial paper, lease-purchase agreements, certificates of participation, floating rate, and variable maturity securities or other evidences of indebtedness within the meaning of the term "bond" as defined in Section 6585(c) of the JPA Law issued by the Authority pursuant to the Bond Pooling Act.
- F. "Fiscal Year" shall mean the period of time from the date of this Agreement to June 30, 2006, and thereafter every 12 month period ending on June 30.
- G. "JPA Law" shall mean Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended from time to time.

H. "Local Agency" shall mean a "local agency" as defined in Section 6585(f) of the JPA Law.

I. "Member" shall mean any public agency (as defined in Section 6500 of the JPA Law) which is a party to this Agreement.

J. "Obligation" shall mean any bond, note, commercial paper, lease-purchase agreement, certificate of participation, floating rate, and variable maturity securities or other evidences of indebtedness within the meaning of the term "bond" as defined in Section 6585(c) of the JPA Law, which is purchased by the Authority from a Local Agency which is the issuer thereof at a public or negotiated sale or which is otherwise acquired by the Authority pursuant to the Bond Pooling Act or a trust agreement or similar instrument providing for the issuance of Bonds.

K. "Public Capital Improvement" shall have the meaning given to such term in Section 6585(g) of the JPA Law.

L. "Working Capital" shall have the meaning given to such term in Section 6585(i) of the JPA Law.

ARTICLE IV

PARTIES TO AGREEMENT

Each Member represents and warrants that it intends to, and does hereby, contract with the other Member identified on the signature page hereof and any new members admitted to the Authority pursuant to Article XIV. Each Member also represents and warrants that the withdrawal or expulsion of any Member, pursuant to Article XII, shall not relieve any Member of its obligations or duties under this Agreement.

ARTICLE V

GOVERNING BOARD

The Authority shall be governed by a Governing Board whose members shall be, at all times, the members of the Board of Supervisors of the County, serving ex-officio (individually a "Representative," collectively the "Representatives"). Each Representative of the Governing Board has one vote. Immediately upon admission of a new Member pursuant to Article XIV, the Member shall be entitled to appoint two Representatives to the Governing Board.

A Representative shall be removed from the Governing Board upon the occurrence of any one of the following events: (1) the Representative is no longer a member of the Board of Supervisors of the County; or (2) the expulsion or withdrawal of the Member from this Agreement on behalf of which such Representative serves.

Representatives are not entitled to compensation. The Governing Board may authorize reimbursement of expenses incurred by Representatives or their alternates.

ARTICLE VI

BOARD MEETINGS AND RECORDS

M. Meetings. The Governing Board shall hold regular meetings as provided in the ByLaws of the Authority. The Governing Board shall fix by resolution the date upon which, and the hour and place at which, each regular meeting is to be held. The Governing Board may hold special meetings at any time and from time to time in accordance with law.

N. Ralph M. Brown Act. Each meeting of the Governing Board, including without limitation regular, adjourned regular, and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act (Section 54950 et seq. of the California Government Code).

O. Minutes. The Authority shall have minutes of regular, adjourned regular, and special meetings kept by the Secretary of the Authority. As soon as possible after each meeting, the Secretary of the Authority shall forward to each Governing Board Representative and each Member copies of the minutes.

P. Quorum. A majority of the Representatives of the Governing Board is a quorum for the transaction of business. However, less than a quorum may adjourn from time to time. A vote of the majority of a quorum at a meeting is sufficient to take action.

ARTICLE VII

OFFICERS

The Chairman of the Board of Supervisors, the Vice Chairman of the Board of Supervisors and the Clerk of the Board of Supervisors are designated as Chair, Vice-Chair and Secretary, respectively, of the Authority. The Chair shall preside at and conduct all meetings of the Governing Board. In the absence or inability of the Chair to act, the Vice-Chair acts as Chair. The Governing Board may appoint such other officers as it considers necessary. Officers are not entitled to compensation. The Governing Board may authorize reimbursement of expenses incurred by officers.

Pursuant to the provisions of Government Code Section 6505.5, the County Treasurer of the County shall be designated as the depository and Treasurer of the Authority, and the County Auditor of the County shall be designated as the Auditor of the Authority, each to perform the functions prescribed by said Section 6505.5.

ARTICLE VIII

AMENDMENTS TO THIS AGREEMENT

This Agreement may be amended at any time by written consent of all of the Members acting through their governing bodies.

ARTICLE IX

BUDGET

It being anticipated that the Authority shall at no time come into the possession of any money or other tangible assets, the Authority shall not adopt an annual budget. In the event that, at any time in the future the Authority comes into the possession of any money or other tangible assets, the Governing Board shall commence to and shall thereafter adopt an annual budget as soon as possible for the first Fiscal Year and not later than thirty days prior to the beginning of each Fiscal Year thereafter.

ARTICLE X

ANNUAL AUDIT AND REVIEW

In the unanticipated event that the Authority comes into the possession of any money or other tangible assets, the Authority shall cause an annual financial audit of the accounts and records to be made by a certified public accountant in compliance with California Government Code Sections 6505 and 6505.5 or 6505.6 with respect to all receipts, disbursements, other transactions, and entries into the books of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under California Government Code Section 26909 and shall conform to generally accepted auditing standards. A report of each audit shall be filed as a public record with each of the Members and also with the County Auditor of the County. The report shall be filed within twelve months of the end of the Fiscal Year under examination. The Authority shall pay all costs of such financial audits.

ARTICLE XI

ESTABLISHMENT AND ADMINISTRATION OF FUNDS

Funds of the Authority may be commingled with other funds of the Authority for investment and administration purposes.

The Treasurer shall draw warrants to pay demands against the Authority when the demands have been approved in writing by the Chair or the designee in writing of the Chair.

All funds or other property acquired by the Authority as a result of this Agreement shall be paid and disbursed as provided in resolutions of the Governing Board or in any trust agreement or similar instrument securing Bonds.

ARTICLE XII

WITHDRAWAL AND EXPULSION

Subject to the restrictions set forth in Article XIII, the Governing Board, by a vote of two-thirds of the governing body, may expel any Member at any time for material breaches of this Agreement. Subject to the restrictions set forth in Article XIII, any Member may at any time

withdraw from this Agreement upon 90 days' written notice to the other Members, provided that after such withdrawal there shall be at least two Members.

The withdrawal or expulsion of any Member shall not terminate its responsibility under any Obligation of such Member or under any actions taken in connection therewith.

ARTICLE XIII

TERMINATION

This Agreement shall continue until terminated. However, it cannot be terminated until such time as all principal of and interest on Bonds, and all other amounts payable under the trust agreements pursuant to which such Bonds have been issued, shall have been paid in full. Thereafter, this Agreement may be terminated by vote or written consent of two-thirds of the Members; provided, however, that this Agreement and the Authority shall continue to exist for the purposes of disposing of all claims, the distribution of assets, and any other functions necessary to conclude the affairs of the Authority.

After completion of the Authority's purposes, any surplus money on deposit in any fund or account of the Authority shall be returned in proportion to the contributions made as required by Section 6512 of the California Government Code. In the event such surplus is generated from proceeds of any Bonds or the payment to the Authority of amounts due with respect to any Obligations, such surplus shall be distributed as provided in the applicable trust agreement. The Governing Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority.

ARTICLE XIV

NEW MEMBERS

With the approval of two-thirds of the Governing Board, any qualified public agency (as defined in Section 6500 of the JPA Law) may become a party to this Agreement. A public agency requesting membership shall apply by presenting to the Authority a resolution of the public agency approving this Agreement. The date and the terms upon which the applying public agency will become a Member will be determined by the Governing Board.

ARTICLE XV

LIABILITY OF THE AUTHORITY

Subject to limitations thereon contained in any trust agreement or other instrument pursuant to which Bonds are issued, funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, any Member, any member of the Governing Board and any employee or officer of the Authority for their actions taken within the scope of their duties while acting on behalf of the Authority.

ARTICLE XVI

NOTICES

Notices under this Agreement shall be sufficiently given and shall be deemed given when delivered or mailed by first-class mail, postage prepaid, or sent by telegram, telecopier or telex, addressed to the parties as follows:

If to the County of Placer:	County of Placer 175 Fulweiler Avenue Auburn, CA 95603 Attention: Clerk of the Board of Supervisors
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If to the Placer County Redevelopment Agency	Placer County Redevelopment Agency Auburn, CA 95603 Attention: Agency Secretary
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The above parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices or other communications shall be sent. Notices of new Members shall be sufficiently given when delivered in the manner described above to the address indicated in the amendment to this Agreement adding such new Member.

ARTICLE XVII

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 thereby.

ARTICLE XVIII

AGREEMENT COMPLETE

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

ARTICLE XIX

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

COUNTY OF PLACER

By: _____
Chairman, Board of Supervisors

ATTEST:
Clerk of the Board of Supervisors

By: _____

PLACER COUNTY REDEVELOPMENT
AGENCY

By: _____
Chair, Governing Board

ATTEST:
Agency Secretary

By: _____