

AMENDED JOINT POWERS AGREEMENT

ESTABLISHING THE SAN MATEO CONSOLIDATED FIRE DEPARTMENT

This Amended Joint Powers Agreement (Agreement) is dated September 11, 2018 and is entered into by the City of San Mateo (San Mateo), the City of Foster City/Estero Municipal Improvement District (Foster City), and the Belmont Fire Protection District (Belmont), each duly organized and existing in the County of San Mateo, State of California under the constitution and laws of the state and individually or collectively called Member Agencies.

RECITALS

This Joint Powers Agreement is predicated upon the following:

- A. The Joint Exercise of Powers Act (Government Code Section 6500 et seq., the Act) provides that two (2) or more public agencies may by agreement jointly exercise any power common to the parties to the agreement and may by that agreement create an entity which is separate from the parties to the Agreement.
- B. The Member Agencies each have the authority to deliver fire suppression, fire prevention, investigation, rescue, and emergency medical services within their respective jurisdictions.
- C. The Member Agencies, desirous of improving the quality and level of Fire and Emergency Medical Services within their communities through the sharing of resources and expertise hereby establish a Joint Powers Authority entitled the San Mateo Consolidated Fire Department (Department) with the goal of commencing operations on or about four (4) months after CalPERS approves pension contract.
- D. San Mateo, Foster City and Belmont established the Joint Powers Authority by entering into a Joint Powers Agreement dated November 22, 2017. Those agencies propose to amend that original agreement as provided in this Amended Joint Powers Agreement.

NOW, THEREFORE, the Member Agencies, for and in consideration of the mutual benefits, conditions and covenants set forth herein, agree as follows:

SECTION 1 – PURPOSE

The Joint Powers Authority is authorized in order to:

1. Enhance the quality of Fire and Emergency Medical Services, as defined at Section 2.14, and to better utilize available resources;

2. Manage, operate, and maintain Joint Facilities, as defined in Section 2.18, and to implement the financing, acquiring, and construction of additions and improvements to the Joint Facilities for the Service Area, as defined in Section 2.24;
3. Coordinate the respective Member Agencies' delivery of these services within their jurisdictions to achieve the most efficient and effective delivery system possible to the benefit of all communities involved; and
4. Issue and repay Bonds of the Department.

SECTION 2 – DEFINITIONS

For the purposes of this Agreement, the following words shall mean:

- 2.1 "Act" means the Joint Exercise of Powers Act of the State of California, California Government Code Sections 6500 et seq., as it now exists or may hereafter be amended.
- 2.2 "Agreement" means this Joint Powers Agreement.
- 2.3 "Arbitration" is a means of addressing a dispute related to Life Safety Risk per Section 15; and shall be conducted by a panel of three (3) Fire Service professionals selected by the Fire Board.
- 2.4 "Belmont" means the Belmont Fire Protection District.
- 2.5 "Board of Directors" or "Board" means the governing body of the Department.
- 2.6 "Bonds" means bonds, notes, or other obligations of the Department issued pursuant to any provision of law which may be used by the Department for the authorization and issuance of bonds, notes, or other obligations.
- 2.7 "Bond interest and redemption expenses" means those sums of money required to be expended by the Department from any bond interest and redemption fund to be established and maintained by the Department for the payment of principal of and interest on bonds (if any) issued pursuant to this Agreement.
- 2.8 "Bond Law" means Article 2 of the Act, as now or hereafter amended, or any other law hereafter legally available for use by the Department in the authorization and issuance of bonds to finance needed public facilities or services.
- 2.9 "City Council" means City Council or Board of any Member Agency.
- 2.10 "Commencement Date" means the date upon which all Member Agencies have voted to commence operations of the Department. Prior to the Member Agencies voting to commence operations, the Department shall have:

successfully negotiated pension and health care contracts for its employees, obtained workers' compensation and liability insurance in amounts approved by the Board, agreed with the Member Agencies upon the terms and conditions pursuant to which the Department will occupy and use the Joint Facilities, agreed with the Member Agencies upon the transfer of Fire Equipment, agreed with the Member Agencies upon the responsibility for any legacy costs and on-going obligations, and determined the terms and conditions pursuant to which the Department shall employ Department personnel.

- 2.11 "County" means the County of San Mateo, State of California.
- 2.12 "Department" means the joint powers authority established by this Agreement as authorized by Government Code Section 6503.5 and identified as San Mateo Consolidated Fire Department.
- 2.13 "Department Personnel" means those Department employees providing the administrative, fire, emergency medical, and disaster preparedness services on behalf of the Department.
- 2.14 "Fire and Emergency Medical Services" means the provision of fire suppression, prevention, investigation, rescue, training, public education, disaster preparedness, emergency medical services, hazardous materials responses, and directly related activities.
- 2.15 "Fire Equipment" means all fire apparatus and other fire equipment, emergency response vehicles and equipment and all other equipment commonly in use by the Department, together with replacements thereof and additions thereto.
- 2.16 "Fiscal year" means the period from July 1st to and including the following June 30th, or such other period as the Board may specify by resolution.
- 2.17 "Foster City" means the City of Foster City/Estero Municipal Improvement District, a municipal corporation and general law city duly organized and existing in the County under the constitution and laws of the State of California.
- 2.18 "Joint Facilities" means the existing fire stations, office space, and training grounds owned by the Member Agencies, but leased to, managed, operated, or used by the Department and any additional facilities acquired by the Department.
- 2.19 "Life Safety Risk" means failure to meet the industry performance standards in response to the threats, hazards and risks in the community, as defined by the Center on Public Safety Excellence.
- 2.20 "Member Agency" or "Member" means any public agency which is a signatory and party to this Agreement.
- 2.21 "Mutual Aid Agreements" means those existing and future agreements between public agencies, including the State, which have been developed to ensure a

comprehensive and effective response to fires, disasters, and medical calls within the jurisdictions of the Member Agencies and other fire, disaster, and medical emergencies.

- 2.22 "San Mateo" means the City of San Mateo, a municipal corporation and charter city duly organized and existing in the County under the constitution and laws of the State.
- 2.23 "Secretary" means the Secretary of the Department, the official custodian of all records of the Department.
- 2.24 "Service Area" means the combined aggregate jurisdictional service areas of the Member Agencies as they now exist and as they may hereafter be modified by annexation of territory to or exclusion of territory from the boundaries of the Member Agencies.
- 2.25 "State" means the State of California.
- 2.26 "Treasurer" means the Treasurer of the Department, responsible for maintaining all financial records on behalf of the Department and acting as Controller for the Department and performing all such functions such as disbursement of revenues, payment of outstanding obligations of the Department, and other similar functions.

SECTION 3 – ESTABLISHMENT OF THE SAN MATEO CONSOLIDATED FIRE DEPARTMENT

- 3.1 Separate Legal Entity. The Department, as a joint powers authority, is a separate entity from the Member Agencies and is responsible for the administration of this Agreement.
- 3.2 Filing of Notices with Secretary of State and County Clerk. Within thirty (30) days after the effective date of this Agreement, the Department shall cause a notice of this Agreement to be prepared and filed with the office of the California Secretary of State containing the information required by California Government Code Section 6503.5.
- 3.3 Filing of Statement of Information. Within ten (10) days after the effective date of this Agreement, the Department shall cause a statement of the information concerning the Department, required by California Government Code Section 53051, to be filed with the office of the California Secretary of State, with the San Mateo County Clerk, and with San Mateo County Local Agency Formation Commission (LAFCO) stating the facts required to be stated pursuant to subdivision (a) of Government Code Section 53051.

SECTION 4 – TERM

This Agreement shall be effective on the date it is signed by the last Member Agency to do so and shall continue in effect until such time as the Agreement is terminated and the Department is dissolved pursuant to Section 17. Dissolution cannot occur until all debts and obligations of the Department have been paid in full.

SECTION 5 – POWERS AND OBLIGATIONS OF DEPARTMENT

- 5.1 General Powers. As authorized by California law, including California Government Code Sections 6502, the Department shall have the power in its own name to exercise any and all common powers of its Member Agencies, including common sovereign powers, reasonably related to the purposes of the Department, including, but not limited to, the powers to:
- (a) Seek, receive, and administer funding from any available public or private source, including grants or loans under any available Federal, State and local programs for assistance in achieving the purposes of the Department;
 - (b) Incur all authorized debts, liabilities, and obligations, including issuance and sale of bonds, notes, certificates of participation, bonds authorized pursuant to the Mello-Roos Local Bond Pooling Act of 1985, California Government Code Sections 6584 et seq. (as it now exists or may hereafter be amended) or any other legal authority common to the Member Agencies and such other evidences of indebtedness, subject to the limitations herein;
 - (c) Raise revenue, to levy and collect taxes and assessments, rates, fees, and charges;
 - (d) Contract for the services of necessary consultants;
 - (e) Make and enter into other contracts;
 - (f) Employ agents, officers, and employees;
 - (g) Acquire, lease, construct, own, manage, maintain, dispose of or operate (subject to the limitations herein) any buildings, works or improvements deemed necessary by the Board, including fire stations and equipment;
 - (h) Acquire, hold, manage, maintain, or dispose of any other property by any lawful means, including without limitation gift, purchase, lease, lease-purchase, license, or sale;
 - (i) Receive gifts, contributions, and donations of property, funds, services, and other forms of financial or other assistance from any persons, firms, corporations, or governmental entities;

- (j) Sue and be sued in its own name;
- (k) Seek the adoption or defeat of any Federal, State or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the Department;
- (l) Adopt ordinances, rules, regulations, policies, bylaws, and procedures governing the operation of the Department;
- (m) Invest money pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the Department, as the Department determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code as it now exists or may hereafter be amended;
- (n) Conduct an audit of the records and accounts of the Department annually by an independent certified public accountant and copies of such audit report shall be filed with the State Controller, the County Auditor, and shall be provided to the Member Agencies no later than fifteen (15) days after receipt of such audit reports by the Department;
- (o) Carry out and enforce all the provisions of this Agreement;
- (p) Exercise all other powers not specifically mentioned herein, but common to Member Agencies, and authorized by California Government Code Section 6508 as it now exists or may hereafter be amended; and
- (q) For purposes of California Government Code Section 6509, the powers of the Department shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed upon the City of Foster City, a general law city.

SECTION 6 – BOARD OF DIRECTORS

- 6.1 Governing Board. The Department shall be governed by a Board of Directors ("Board"), appointed per Section 6.2, consisting of one (1) voting representative and one (1) alternate from each Member Agency. Alternates shall serve in the absence of the Board Member for the agency they represent. Alternates have no voting power other than when serving for an absent Board Member.
- 6.2 Qualifications. The Board shall be composed exclusively of elected members from the governing boards of the Member Agencies. The governing board of each Member Agency shall appoint its representatives and shall fill any vacancies should a representative of such Member Agency cease to serve as a

Board Member for any reason. A Board vacancy will occur when a representative is no longer serving as a member of the governing board of a Member Agency.

- 6.3 Board Officers. The Board shall annually select one (1) of its members to serve as Chair and one (1) member as Vice Chair.
- (a) If the Chair is unable to continue serving on the Board, then the Vice Chair shall become Chair. A new Vice Chair will then be selected from another Member Agency.
 - (b) If the Vice Chair is unable to continue serving on the Board, a new Vice Chair will be selected.
 - (c) The Chair shall preside over all meetings of the Board and perform such other duties as may be imposed by the Board in accordance with law and this Agreement.
 - (d) The Vice Chair shall preside over all meetings of the Board in the Chair's absence and perform such other duties as may be imposed by the Board in accordance with law and this Agreement when the Chair is absent.
- 6.4 Additional Officers and Consultants. The Board may appoint any additional officers deemed necessary or desirable. Such additional officers also may be officers or employees of a Member Agency or of the Department. The Board may also retain such other consultants or independent contractors as may be deemed necessary or appropriate to carry out the purposes of this Agreement.
- 6.5 Bonding Requirements. The officers or persons designated to have charge of, handle, or have access to any funds or property of the Department shall be so designated and empowered by the Board. Each such officer or person shall be required to file an official bond with the Department in an amount established by the Board. Should the existing bond or bonds of any such officer or persons be extended to cover the obligations provided herein, said bond or bonds shall satisfy the requirements of this paragraph and shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be appropriate expenses of the Department. If it is prudent to do so, the Department may procure a blanket bond on behalf of all such officers and persons.
- 6.6 Subcommittees. The Board may create permanent or ad hoc subcommittees to give advice to the Board on such matters as may be referred to such subcommittee by the Board. Qualified persons shall be appointed to such subcommittees by the Board and each such appointee shall serve at the pleasure of the Board. All regular, adjourned and special meetings of such subcommittees shall be called and conducted in accordance with the applicable requirements of the Ralph M. Brown Act, Government Code Section 54950 et seq., as it now exists or may hereafter be amended, and all other applicable law.

- 6.7 Meetings. The Board shall hold publicly noticed meetings as needed but at least quarterly. Meetings shall be held in the Service Area at a place designated by the Department. All meetings of the Board shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act and other applicable law.
- 6.8 Quorum. The presence of two (2) Board Members shall constitute a quorum for transaction of Department business.
- 6.9 Voting. All voting powers of the Department shall reside in the Board. The Member Agencies' Board Members shall have the following weighted vote: San Mateo sixty percent (60%), Belmont twenty percent (20%), Foster City twenty percent (20%). The Board intends to strive for consensus following full discussion, but in the event consensus cannot be reached, a weighted vote of eighty (80%) shall be required to take action.
- 6.10 Member Agency Approvals. Prior to June 30th each year, the Fire Chief shall prepare and present a proposed budget to the Board for its review. The Board shall review the proposed budget and thereafter recommend approval of the budget to the governing boards of the Member Agencies. Once approved by the Member Agencies by a weighted vote of eighty percent (80%) using the same weighted vote for Agencies as for Board Members in Section 6.9, the budget shall be effective.
- 6.11 Rules. The Board may adopt from time to time such bylaws, rules, and regulations for the conduct of meetings of the Board and of the affairs of the Department as are consistent with this Agreement and other applicable law.
- 6.12 Minutes. The Secretary shall cause minutes of all meetings of the Board to be drafted. Upon approval by the Board, such minutes shall become a part of the official records of the Department.
- 6.13 Conflicts of Interest.
- (a) California Political Reform Act. Board members shall be considered "public officials" within the meaning of the California Political Reform Act of 1974, as amended, and its regulations, for purposes of financial disclosure, conflict of interest and other requirements of such Act and regulations, unless determined otherwise in a contrary opinion or written advice of the California Fair Political Practices Commission. The Department shall adopt and maintain a conflicts of interest code in compliance with the Political Reform Act.
 - (b) Levine Act. Board members are "officials" within the meaning of California Government Code Section 84308 et seq., commonly known as the "Levine Act," and subject to the restrictions of such act on the acceptance, solicitation or direction of contributions.

- 6.14 Dispute Resolution. Should any dispute among the Member Agencies arise out of this Agreement and should the Member Agencies be unable to resolve the dispute, the Member Agencies shall, at the written request of any Member Agency, meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. If a mediator cannot be agreed upon, then each Member Agency shall submit the name of a proposed mediator and the mediator shall be chosen by a blind drawing. Mediation shall be conducted within ninety (90) days unless the Member Agencies agree in writing to extend the time for mediation and concluded before resorting to court action. Mediation fees shall be paid equally by the Member Agencies. If a mediated agreement is reached no Member Agency shall be deemed the prevailing party and each Member Agency shall bear its own legal costs. If no mediated agreement is reached and litigation is subsequently file, the venue shall be in San Mateo County Superior Court.

SECTION 7 – POWERS AND DUTIES OF GOVERNING BOARD

- 7.1 Powers and Duties. In addition to the powers and duties set forth elsewhere in this Agreement, the Board of Directors shall have the following powers and duties to:
- (a) Review and recommend an annual budget to the Member Agencies for approval;
 - (b) As agreed upon by the Member Agencies, determine the level of Fire and Emergency Medical Services to be provided by the Department, and within the limits of the Member Agencies or pursuant to Mutual Aid Agreements;
 - (c) Make and enter into contracts or sub-contracts;
 - (d) Incur debt, liabilities and obligations on behalf of the Department as pertains to the common purposes as set forth above;
 - (e) Invest Department funds pursuant to the investment policy of the Department;
 - (f) Appoint a Treasurer from one of the Member Agencies or a third party qualified professional as depository which to have custody over all Department funds without regard to their source;
 - (g) Receive contributions, donations or grants of property, funds, services, or other forms of assistance from any source;
 - (h) Coordinate Department activities with other Joint Powers Authorities or public agencies established for similar purposes in pursuing the common purposes set forth above;

- (i) Appoint a Legal Advisor for the Department; and
- (j) Appoint, suspend and or terminate the Fire Chief.

SECTION 8 – OPERATIONS AND FACILITIES

- 8.1 Principal Office. The principal office of the Department shall initially be the current Administrative Office at Foster City Fire Department Station 28 in the City of Foster City, 1040 East Hillsdale Boulevard, Foster City, California. The Department may establish another principal office by resolution of the Board.
- 8.2 Assumption of Responsibilities by the Department. As soon as practicable after the effective date of this agreement, the Member Agencies shall appoint their representatives to the Board and the Fire Chief shall give notice of an organizational meeting of the newly constituted Board. At said meeting the Board shall provide for its regular meetings, shall elect a Chair and Vice Chair.
- 8.3 Delegation of Authority; Transfer of Records, Accounts, Funds and Property. Beginning on the Commencement Date, as defined in Section 2.10, each of the Member Agencies shall have entered into an agreement with the Department for the Department's use of the Member Agency's Joint Facilities within its territorial jurisdiction, which agreement, as may be amended from time to time, shall remain in place while the Member Agency is a party to this Agreement and receiving services from the Department.
- 8.4 Employment of Personnel. The Department shall employ the necessary personnel to provide continued, efficient, and economical Fire and Emergency Medical Services to the Service Area.
- 8.5 Limitations on Activities Prior to Commencement Date. The Department will not begin providing Fire and Emergency Medical Services or other operational services before the Commencement Date. Except as may be mutually agreed upon by the governing boards of the Member Agencies, the Department may not incur any debt before the Commencement Date.

SECTION 9 – EMPLOYEE RELATIONS

- 9.1 Status of Employees of the Department. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, worker's compensation, and other benefits which apply to the activity of employees of the Department when performing their respective functions within the territorial limits of a Member Agency shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties under the provisions of this Agreement and Chapter 5 of Division 7 of Title 1 of the California Government Code, commencing with Section 6500. However, none of the employees of the Department shall be deemed to be employed by

any Member Agency or to be subject to any of the requirements of such Member Agency by reason of their employment by the Department.

- 9.2 Employee Relations. The Department shall maintain, as necessary, Employer-Employee Relations Procedures, Personnel Rules and Regulations applicable to the Department.
- 9.3 Bargaining. Bargaining under the Meyers-Milias-Brown Act shall proceed as set forth in this section. Employees of the Department are not employees of any Member Agency. The Board may, as provided in Government Code Section 54957.6, meet in a closed session to provide direction for negotiations as necessary.

SECTION 10 – FIRE CHIEF OF THE DEPARTMENT

- 10.1 Powers and Duties. The Fire Chief shall have the following powers, responsibilities and duties:
- (a) Planning, coordinating and supervising the operation of the Department on a day-to-day basis to ensure that the policies and direction of the Board are implemented operationally and administratively;
 - (b) Making recommendations to the Board regarding the operations of the Department.;
 - (c) Supervising and managing the Department personnel;
 - (d) Hiring, promoting, demoting, imposing disciplinary action and/or terminating employees of the Department;
 - (e) Coordinating and supervising all training;
 - (f) Establishing policies and procedures for the Department in order to implement directives from the Board;
 - (g) Preparing the annual budget for submission to the Board;
 - (h) Management of inter jurisdictional responses under any applicable mutual aid agreements, automatic aid agreements, and the greater alarm plans to operationally implement this Agreement;
 - (i) Appointing a qualified employee of one (1) of the Member Agencies or contract with a third party qualified professional to act as Human Resources Director for the Department; and
 - (j) Appoint a qualified employee of the Department or one (1) of the Member Agencies as Secretary.

SECTION 11 – INSURANCE AND LIABILITY

- 11.1 Insurance Coverage. Prior to the Commencement Date, the Department shall obtain insurance coverage for its activities. This shall include, but not be limited to, workers' compensation and liability insurance coverage in amounts approved by the Board.
- 11.2 Limitation on Liability.
- (a) Except as provided in Section 12, no debt, liability, or obligation of the Department shall constitute a debt, liability or obligation of any Member Agency.
 - (b) Except as expressly authorized by the Member Agencies, no Member Agency shall be responsible for the acts and omissions of another Member Agency's officers or employees nor shall a Member Agency incur any liabilities arising out of the services and activities of another Member Agency's officers or employees.
- 11.3 Hold Harmless. The Department shall defend, hold harmless and indemnify, to the fullest extent permitted by law, each Member 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 in any way attributable in whole or in part, to the operation of the Department or its employees, officers or agents or the employees, officers or agents of the Member Agencies while acting within the course and scope of an agency relationship with the Department.

SECTION 12 – PENSION INTEGRITY

- 12.1 Each Member Agency hereby declares its intent to fund its share of the Department's employee pension obligations now and in the future, and to continue to honor its responsibility for its share of those pension obligations (subject to the cost allocation in Section 14.2) should the Member Agency terminate its membership in the Department or the Department terminates.
- 12.2 To fulfill the intent expressed in Section 12.1, each Member Agency agrees:
- (a) It is responsible for the pension obligations for its employees incurred while employed by the Member Agency and before becoming an employee of the Department;
 - (b) If the Department contracts with CalPERS for retirement benefits, to be responsible for its proportionate share, in accordance with the allocation in

Section 14.2, of the Department's CalPERS liabilities incurred during the Member Agency's membership in the Department;

- (c) To execute an agreement with CalPERS, which may include an agreement in accordance with Government Code Section 20573, to assume the Member Agency's proportionate share of CalPERS liability as expressed in (b)(2) should the Member Agency terminate its membership or the Department terminates.

- 12.3 If requested to do so by CalPERS, the original Member Agencies agree to execute the agreement in 12.2(c) concurrent with CalPERS executing an agreement with the Department for retirement benefits.

SECTION 13 – ADDITION OF MEMBER AGENCIES

Any local agency may apply for membership in the Department. Addition of an agency to the Department shall require approval by the governing boards of all Member Agencies. The Department may require such contributions and conduct such investigations, as it may deem appropriate as a condition of application and approval of additional Member Agencies.

SECTION 14 – MAINTENANCE AND OPERATION COSTS: COST ALLOCATION

- 14.1 Records and Accounts. The Department shall cause to be kept accurate and correct books of account, showing capital costs (if any), special services costs, and maintenance and operation costs of the Department. The Department shall maintain accurate and correct books of account showing all Department personnel costs and the costs of maintenance and operation of the Fire Equipment and Joint Facilities, including liability, casualty and workers' compensation insurance and a reasonable depreciation reserve for capital items. The afore described books and records shall be open to inspection at all times during normal business hours by Member Agencies.
- 14.2 Allocation of Expenses. Until changed by mutual agreement of the Member Agencies, the costs and expenses in the approved budget shall be allocated sixty percent (60%) to City of San Mateo and twenty percent (20%) each to Foster City and Belmont.

SECTION 15 – WITHDRAWAL FROM THE JOINT POWERS AUTHORITY

A Member Agency may withdraw from this Agreement by filing written notice of intention to do so with the other Member Agencies at least sixty (60) months in advance of the intended withdrawal date. Notice required by this section cannot be executed prior to January 1, 2029, with the exception of a Life Safety Risk to the community. Any fire service related life safety risk dispute will be arbitrated; if the risk is found to be valid, the withdraw period will be twenty-four (24) months unless otherwise agreed to by Member Agencies.

SECTION 16 – DISPOSITION OF ASSETS UPON WITHDRAWAL OF A MEMBER AGENCY

The withdrawal of any Member Agency shall not terminate this Agreement provided at least two (2) Member Agencies remain. Upon withdrawal, the Member Agency's separately owned fire stations, if any, will no longer be available for use by the Department. No Member Agency, by withdrawing, shall, except as may be agreed to by the remaining Member Agencies, be entitled to payment or return of funds paid or Fire Equipment transferred to the Department, if any, by the withdrawing Member Agency to the Department or to any distribution of its assets except for its proportionate share of any unobligated fund balance held by the Department.

SECTION 17 – TERMINATION; DISSOLUTION AND DISPOSITION OF ASSETS

- 17.1 Termination and Dissolution Prior to Commencement Date. When the conditions enumerated in Section 2.10 are satisfied, the Board shall adopt a resolution certifying this fact to the Member Agencies and asking the Member Agencies to approve commencement of operations on a certain date. The governing boards of the Member Agencies shall have forty-five (45) days from the adoption of the resolution to approve commencement of operations. Upon approval of the governing boards of all Member Agencies, the Department shall commence operations. If, on the other hand, the governing boards of all Member Agencies do not approve commencement of operations within forty-five (45) days, the Board shall expeditiously wind down the affairs of the Department, and upon completion, shall dissolve the Department and terminate the Agreement.
- 17.2 Termination, Dissolution and Disposition of Assets After Commencement Date. After the Commencement Date, this Agreement may be terminated, and the Department dissolved upon the approval by the governing boards of all Member Agencies. Upon termination of this Agreement and dissolution of the Department, property owned by the Member Agencies shall, at that point, no longer be available for use by the Department. Department funds shall first be used to pay expenses, debts, liabilities and obligations of the Department and then allocated based upon the funding formula then current under Section 14.2 above. The proportionate shares of any assets, equipment or supplies owned by the Department shall be returned to the Member Agencies calculated using that same formula; however, if the Member Agencies are unable to agree on how to distribute some or all of the Department's non-monetary assets, the disputed assets shall be sold and the proceeds distributed according to the formula described in Section 14.2. Funds in a depreciation reserve account of Member Agencies subject to the cost allocation formula under Section 14.2 shall be considered an asset of the Department for purposes of this Section.

SECTION 18 – CAPITAL ASSETS

Fire Equipment owned by each Member Agency and transferred to the Department upon the Commencement Date shall become the property of the Department. Transfer of Fire Equipment from new Member Agencies shall be required at the time they join the Department pursuant to Section 13, Addition of Member Agencies, and the Amended JPA Agreement providing for their admission is executed.

SECTION 19 – FISCAL RESPONSIBILITY

Each Member's Agency's proportionate share of CalPERS liability is addressed in Section 12.2. In the event that the Department is dissolved or becomes insolvent, or the agreement with CalPERS is terminated, each Member Agency is responsible for its proportionate share of all other outstanding Department liabilities and obligations incurred during the Member Agency's membership in the Department, allocated in accordance with Section 14.2, so that the Member Agencies have fiscal responsibility for 100% of the Department's outstanding liabilities and obligations upon dissolution or insolvency.

SECTION 20 – AMENDMENT

This Agreement may be amended from time to time with the written consent of all of the Member Agencies.

SECTION 21 – NOTICE

Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. Mail, registered or certified, postage prepaid, addressed to the Member Agencies at their addresses as reflected in the records of the Department, and shall be deemed to have been received by the Member Agencies to which the same is addressed upon the earlier of receipt or seventy-two (72) hours after mailing.

SECTION 22 – ATTORNEY'S FEES

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of its actual and reasonable attorney's fees, costs and expenses incurred in the proceeding.

SECTION 23 – SEVERABILITY

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

SECTION 24 – SUCCESSORS

This Agreement shall be binding upon and accrue to the benefit of any successor of a Member Agency.

SECTION 25 – ASSIGNMENT AND DELEGATION

No Member Agency may assign any rights or delegate any duties under this Agreement without the written consent of all other Member Agencies and any attempt to make such an assignment shall be null and void for all purposes.

SECTION 26 – COUNTERPARTS

This Agreement may be executed in one (1) or more counterparts, all of which together shall constitute a single agreement, and each of which shall be an original for all purposes.

SECTION 27 – INTEGRATION

This Agreement represents the full and entire Agreement among the Member Agencies with respect to the matters covered herein.

SECTION 28 – EXECUTION

The legislative bodies of the Member Agencies have each authorized execution of this Agreement, as evidenced by the respective signatures attested below.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS THEREOF, the parties hereto have set their hands the day and year first hereinabove written.

CITY OF SAN MATEO

By: [Signature]
Mayor

By: [Signature]
City Manager

APPROVED AS TO FORM

By: [Signature]
City Attorney - Shawn M. Mason

ATTEST:

By: [Signature]
City Clerk



BELMONT FIRE PROTECTION DISTRICT

By: [Signature]
Mayor

By: [Signature]
District Manager

APPROVED AS TO FORM

By: [Signature]
Attorney

ATTEST:

By: [Signature]
District Secretary

**CITY OF FOSTER CITY/ESTERO
MUNICIPAL IMPROVEMENT
DISTRICT**

By: [Signature]
Mayor/President

By: [Signature]
City/District Manager

APPROVED AS TO FORM

By: [Signature]
City/District Legal Counsel

ATTEST:

By: [Signature]
City Clerk/District Secretary

