

**CALIFORNIA
RESIDENTIAL
MITIGATION
PROGRAM**

Request for Proposals (RFP)

Audit Services

CRMP RFP #05-19

Date: July 2019

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I. Purpose of Request for Proposals (RFP)

The California Residential Mitigation Program (“CRMP”) is seeking an audit firm to perform CRMP’s annual financial statement audits under Government Account Standards Board (GASB) principles and California Government Code Sections 6500 – et seq. (Attachment B).

II. Summary of Key Dates

The following schedule is subject to modification by the California Residential Mitigation Program (CRMP), in its sole discretion. ALL PROPOSERS must conform to this schedule or they will be removed from consideration. Inquiries regarding proposals must be submitted in the matter in Section IV – Method of Submitting Inquiries, below.

1. Date of Issue	July 15, 2019
2. Deadline for Questions and Inquiries regarding RFP	July 30, 2019
3. Final Proposal Filing Date	August 16, 2019, 5:00 p.m. PDT
4. Proposal Evaluation by CRMP	August-September 2019
5. Finalists’ presentations (optional) in Sacramento	TBD
6. Award of Opportunity to Negotiate Contract	TBD
7. Commencement Date	TBD

CRMP will make reasonable efforts to adhere to this schedule but retains its sole discretion to modify the schedule as necessary.

III. Background of the California Residential Mitigation Program (CRMP)

In August 2011 the Governor’s Office of Emergency Services (Cal OES) and the California Earthquake Authority (CEA) entered into a Joint Exercise of Powers Agreement (JPA) to create the California Residential Mitigation Program (CRMP) to carry out a joint mitigation program. Both Cal OES and CEA are authorized to assist California dwelling owners who wish to retrofit their dwellings to protect against earthquake damage. CRMP is a legally separate entity from its members. It has a governing board consisting of two members appointed by the CEA and two members appointed by Cal OES.

Management Team

Overall responsibility for operations has been delegated by the governing board to the Executive Director. The Governing Board has adopted a Procurement Guidelines and Contracting Manual and an Expenditures Procedures Manual. CRMP may employ or contract for staff and consultants as required to administer the program and will contract with private-sector organizations for the services described below.

Program Funding

Funding for CRMP will be provided by voluntary advances, contributions, or grants. It is expected that funds will be released to CRMP in increments as needed by CRMP.

The governing board will be asked to approve funding to support programs designed to encourage dwelling owners to participate in retrofit activities.

CRMP Focus

CRMP will primarily focus its effort on the following:

- a. Educating dwelling owners about their options to structurally strengthen their dwellings;
- b. Informing dwelling owners about any funding that is available to encourage participation in the CRMP programs;
- c. Making available an application for dwelling owners who want to participate in the CRMP programs;
- d. Educating contractors about the CRMP programs;
- e. Educating building-inspection authorities about the CRMP programs; and
- f. Informing, and productively working with, all interested parties about the CRMP programs.

Earthquake Brace + Bolt: Funds to Strengthen Your Foundation

The Earthquake Brace + Bolt (EBB) program was designed to encourage homeowners to complete a seismic retrofit of their older house by offering up to the \$3,000 toward the cost. EBB provides grants only for a specific “building-code-compliant” seismic retrofit, to ensure the retrofit will perform as designed and keep the house on its foundation. Although new-house construction in California has benefitted from seismic building codes for many years, the availability of a seismic-retrofit building code for existing houses is actually quite recent.

Before that code came into effect in California, residential retrofits of older houses were often incomplete and not based on a uniform best-practice. The consequences of an improper retrofit can be devastating, since the crawl space may still be vulnerable to collapse, possibly causing the house to slide off its foundation. The 2010 adoption of Chapter A3 into the California Building Code provided the first uniform guidelines for a quality, science-based retrofit for existing houses. EBB relies on Chapter A3 as its guidepost, offering cash grants for only these code-compliant seismic retrofits. The retrofit involves bolting the house to its foundation and adding bracing around the perimeter of the crawl space.

EBB began with a pilot program in 2013/14 and has grown each year since, adding more cities and more Zip Codes. To-date, more than 7,700 grants have been provided to California homeowners.

IV. Method for Submitting Questions and Inquiries

Questions and inquiries about this RFP must be submitted by email only, and each proposer is solely responsible for following the timeframes in Section II – Summary of Key Dates.

Questions and inquiries regarding this RFP must be received by CRMP by Tuesday, July 30, 2019.

Please submit all questions and inquiries by email to: CRMP05-19AuditServices@calquake.com

CRMP will answer and respond to all questions and inquiries it receives in a single Addendum to this Request for Proposal, which will be posted in the Contracting/Employment Opportunities section of CRMP’s website, www.californiar Residential Mitigation Program.com, **one week after the deadline for questions.** CRMP will make no other response to questions and inquiries and will not individually answer or respond to questions or inquiries posed by any proposer.

V. Addenda: Errors and Omissions

CRMP reserves the right in its sole discretion to modify any part of this RFP by issuing one or more written addenda.

Any addenda issued by CRMP, whether issued before or after the proposal submission deadline, will be posted to www.californiaresidentialmitigationprogram.com on the Contracting/Employment Opportunities section.

Each proposer understands, agrees to, and accepts an affirmative responsibility to inquire regarding, and seek clarification of, any part or provision of the RFP that the proposer does not understand or believes is reasonably susceptible to more than one interpretation. If a proposer claims any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the proposer must immediately notify CRMP's RFP contact person and request clarification. In its sole discretion, CRMP may issue clarifications in the form of written clarification addenda to this RFP and will post the written clarification addenda to www.californiaresidentialmitigationprogram.com on the Contracting/Employment Opportunities section.

In its sole discretion, CRMP may disregard any and all claims of ambiguity, conflict, discrepancy, omission, or other error received by CRMP after the final filing date for proposals; no proposer will be entitled to additional time to meet any deadline by reason of corrections or clarifications made by CRMP after the final filing date for proposals.

Each proposer is required to acknowledge any clarification addendum to this RFP by submitting a statement of acknowledgement in the cover letter of its proposal.

The provisions of any clarification addendum formally issued by CRMP are automatically incorporated into this RFP and, in addition and as appropriate, may be made a part of or otherwise reflected in any contract or contracts that may be awarded as a result of this RFP.

VI. Filing of Proposals

Proposals must be emailed, as an attachment in PDF format, to the following email address:

CRMP05-19AuditServices@calquake.com

Subject: Response to CRMP Request for Proposals #05-19

Should a proposal contain confidential proprietary information, a statement to that effect must be included in the cover letter, and each and every page containing confidential proprietary information must be so designated on the upper right-hand corner. CRMP will use reasonable efforts to protect the marked pages from public disclosure, except to the extent provided in any resulting contract and to the extent required by law. CRMP makes no representations or warranties that its efforts will be successful. Proposers are reminded that many of the CRMP's records are subject to public disclosure under the California Public Records Act.

Please note that no proposal can be considered confidential and proprietary in its entirety.

If, before the final filing date, a proposer discovers an error or omission in a proposal already submitted to CRMP, the only method of correction or modification is to withdraw the proposal in its entirety (via email) and resubmit the corrected or modified proposal before the final filing date and time. Corrections or modifications offered in any other manner will not be considered.

All proposals become the property of CRMP upon receipt.

All costs to develop proposals and participate in the RFP process are entirely the sole responsibility of the proposer and cannot be charged to CRMP, CEA or Cal OES.

CRMP accepts absolutely no responsibility for lost, misplaced, mishandled, or late delivered proposals, regardless of the reason or explanation.

Only one proposal per individual, firm, partnership, or corporation, or combination of such entities formed to propose under this RFP, will be considered. Any reasonable grounds for believing a proposer has submitted multiple proposals under more than one name is good cause for rejection by CRMP of all proposals in which the proposer is involved.

Proposals must be clearly identified "CRMP RFP#05-19 – Audit Services" Additional information may be found under Section VIII – Minimum Qualifications.

VII. Scope of Work

Independent Audit Required

The Act requires the Treasurer and Auditor of CRMP to have an independent audit made annually of the accounts and records of CRMP by a certified public accountant or public accountant in accordance with Section 6505 of the Act. Excerpts from Article 1 of the Act are attached as Attachment B. CRMP's fiscal year ends on December 31. The contract for the external auditor will be for a five year period from 2019 - 2023.

CRMP annual audit must be completed within 90 days after the close of the calendar year (December 31st). The external auditor must have completed and made available to the CRMP for public distribution the audit report for the prior year by April 1st of the subsequent year. The external auditor will make its report to CRMP Board at the board meeting following April 1st. CRMP's Treasurer will be the contact point during the engagement.

The winning bidder will not be eligible to obtain other work/projects with CRMP whether or not they are related to the condition of the financial statements during the time the bidder is under contract with CRMP as external auditor.

VIII. Minimum Qualifications

The proposing firm must meet, to CRMP's satisfaction, all the following minimum qualifications to be considered for a contract award. Failure to satisfy all minimum qualifications, in CRMP's sole judgment, will result in immediate rejection of the proposal.

As of the issue date of the RFP:

1. The firm must have been in business for at least five years.
2. The firm must have at least five years of experience auditing joint powers authorities.
3. At least one key professional member of the firm must be assigned to the CRMP account on a long-term basis and must have a minimum of five years' experience auditing joint powers authorities financial statements. (The persons listed in qualification items 3-5 may be the same individual. Proposers should be aware that the CRMP's contract form contains a Key Personnel provision, which limits a contractor's ability to replace key personnel on the CRMP account without CRMP's consent.)
4. The person(s) supervising the audit and signing the audit report must be licensed by the State of California as a Certified Public Accountant, in good standing, and with a full-attestation active license.
5. If a qualified Independent Auditor is the successful proposer for a successive five-year period, the lead partner, the concurring partner, and all other partners who had significant role in any CRMP audit during

the earlier contract term are subject to a five-year “time out” during which they cannot participate in a CRMP-related audit.

IX. Pricing

Proposal must include a clear and complete fee and expense structure. CRMP will pay negotiated fees and expenses in arrears, as may be agreed. If CRMP is asked to accept a minimum periodic fee, the proposal must include a clear and complete periodic-fee structure.

Price each section of the proposed work plan separately. For each task, for each contract period, specify the expected number of hours, the hourly rates, and the overall cost. If expected number of hours is unknown, provide the hourly rates.

CRMP will use the following information to analyze the reasonableness of the fees. Information is intended for internal CRMP use, but certain CRMP records are subject to public disclosure under the California Public Records Act and production under the Bagley-Keene Open Meetings Act. CRMP makes no representations or warranties that its efforts to keep records confidential will be successful.

- a. Itemize the direct labor costs using the following categories:
 - 1) Staff billing, by title (e.g., partner, project manager, associate, clerical)
 - 2) Rate per hour for each staff member
- b. Itemize consultant and subcontract labor costs
- c. Itemize maximum costs for travel, lodging, and meals.
- d. State any additional costs not previously covered in this section or state that there are no additional costs
- e. Total of fees and costs

X. Proposal Instructions

Proposal Format

Proposals in response to this RFP, excluding Required Attachments and the Cover Letter, must not exceed 12 single-sided pages, with a size 12-point font. Any additional attachments (excluding Required Attachments) submitted must not exceed a total of 10 single-sided pages. All proposers must include the following elements, in the following order:

1. *Cover Letter*

The cover letter must be signed by a person authorized to bind the proposer contractually. CRMP will reject any proposal that contains an unsigned cover letter. The cover letter must also contain all of the following:

- a. The proposing firm’s name, address, telephone and fax numbers, and Web address
- b. The name, title or position, telephone number, and email address of the person signing the cover letter and any other persons authorized to make representations for the proposer regarding the RFP
- c. A statement that the signature constitutes unrestricted authority to bind the proposer contractually
- d. A statement that the proposal is a valid, open proposal for 180 days after the proposal date
- e. A statement affirming that the proposer satisfies each of the Minimum Qualifications.
- f. A statement that the proposer has reviewed all addenda posted through the final addenda posting date shown on the “Summary of Key Dates.”
- g. A statement that each key professional and each responsible staff member working on the contract is willing to be subject to a background check

2. Firm Background and History

- a. Location of firm headquarters
- b. Number of years the firm has been in existence in the same or substantially the same form and under the same trade name
- c. Total number of offices and employees (provide a breakdown of the number of professional, managerial, and support staff, respectively)
- d. Describe the firm's ownership and ownership structure
- e. Identify any affiliated or subsidiary organization(s)
- f. Identify pending or contemplated changes in the firm's organizational structure.
- g. Describe the types of services the firm provides (including, but not limited to, the services described in this RFP) and reasonable details of the fee arrangements that typically apply
- h. Describe the firm's experience in providing audit services to governmental and non-governmental clients
- i. Disclose litigation or other legal proceedings in the past three years that your firm, or any officer or principal of your firm, has been involved in related to your firm's business activities. Explain the nature of each such litigation or legal proceeding, even if the matter has been resolved
- j. Provide the applicable coverage amounts for the following:
 - 1) Errors-and-omissions insurance, if applicable
 - 2) Any other applicable insurance
- k. List every institutional client for which the firm provided any of the services described in Section VII: Scope of Work of this RFP that terminated its relationship with the proposing firm during the past four years. Provide the following information:
 - 1) The name of the client
 - 2) A full explanation of the reason(s) for termination of the relationship

3. Work Plan & Methodology

This should describe how your firm will perform the proposed contract. Be specific and avoid generalizing. The work plan should address, without limitation, the following components, and should be organized so that it is clear, comprehensive, and concise.

- a. Identify the primary contact for the contract
- b. Describe your firm's understanding of the work to be performed under this RFP including addressing all project deliverables
- c. Identify any RFP requirements which your firm believes are unnecessary
- d. Propose any alternatives that conform to this RFP's intent, that would lead to a better result, but which may not satisfy specific RFP requirements
- e. Identify any "value-added" services your firm would provide to CRMP
- f. Detail any conflict of interest, or apparent or potential conflict of interest that would be created by your firm's contracting with CRMP. Propose how to address or resolve these conflicts of interest
- g. Describe your firm's policy for ensuring the confidentiality of its clients' matters
- h. Define "client service" as it relates to your firm and describe mechanisms that are in place to solicit and respond to client feedback. Include your methodology to meet the specific service requirements included in this RFP
- i. Name the management consulting professionals who would be assigned to CRMP account and list their responsibilities. For each member of the team assigned to CRMP account, provide a brief résumé that outlines the person's education and relevant experience; include relevant certifications or credentials, and the length of time each has been held

- j. If the firm intends to use subcontractors to deliver any of the services outlined in Section VII: Scope of Work, provide the information in 1, 2, 3, and 4 regarding the proposed subcontractor(s)

4. Describe the firm’s policies and programs that ensure compliance with state and federal Equal Employment Opportunity requirements.

5. Required Attachments

- a. Drug-Free Workplace Certification labeled as “Exhibit 1”
- b. References labeled as “Exhibit 2”
- c. Proposed fees labeled as “Exhibit 3”

Additional Information

CRMP will not be bound by any oral interpretation of this RFP by any of its representatives or employees, unless those oral interpretations are subsequently issued as a written addendum to this RFP.

In addition, preparing the responses to this RFP, each proposer must make whatever other arrangements are necessary for the proposer to become fully informed regarding all existing and expected conditions and matters, which, during the contract term, could affect in any way the work, performance of work, or the cost. A failure to fully investigate Section VII: Scope of Work or the other conditions, requirements, and minimum qualifications of this RFP will not relieve the proposer from responsibility for properly estimating the difficulty or cost of successfully performing the work. CRMP assumes no responsibility for any representation made by its representatives or agents prior to or during the execution of a contract entered into as a result of this RFP #05-19.

XI. Proposal-Evaluation Criteria

The purpose of the proposal-evaluations process is to:

- 1. Assess the responses for the compliance with minimum qualifications, content, and format requirements; and
- 2. Identify the proposers that have the highest probability of satisfactorily performing the services described.

The evaluation process will be conducted in a comprehensive and impartial manner as described in this section.

Each timely proposal will be reviewed to determine it satisfies the minimum qualifications specified in Section VIII – Minimum Qualifications. Proposals that meet the minimum qualifications will undergo an evaluation process conducted by a team of reviewers composed of CRMP staff and board members.

The highest possible score is 100 points.

CRITERION	POINTS
Work Plan and Methodology	40
Firm Background and History	30
Pricing	20
Interview	5
References	5
◆TOTAL POSSIBLE POINTS	100

Clarification

Proposers may be requested to clarify contents of their proposal package. Other than information requested by the CRMP Governing Board or staff, no proposer will be allowed after the final filing date to alter the submission or add new information.

CRMP may invite finalists to interview at its office in Sacramento, California. All costs and expenses associated with preparing and submitting responses to this RFP, and all travel and travel-related costs of participating in any requested interview and of any contract-negotiation processes, are the sole responsibility of the proposer.

XII. Award of Opportunity to Contract

If, at any time during or at the conclusion of the RFP process, CRMP determines that the results or prospects of this RFP process are unsatisfactory, CRMP reserves the right to discontinue this process and decline to award an opportunity to contract. The final award of the opportunity to contract will be determined by CRMP's management.

The award of the contracts, if any, will be made to the proposers scoring the highest total points. The final approval of the contract award will be determined by CRMP's Governing Board. All proposers will be notified of the outcome of the RFP. News releases pertaining to the award of a contract resulting from this RFP must not be made without CRMP's prior written approval.

CRMP reserves the right to reject any or all proposals and to waive any irregularities in proposals received.

XIII. Commencement Date

TBD

Drug-Free Workplace Certification

EXHIBIT 1

The proposer named above hereby certifies that, if awarded a contract, it will comply with Government Code Section 8355 in matters relating to providing a drug-free workplace. The above named proposer will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, by Government Code Section 8355(a), subdivision (1).
2. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a), subdivision (2).
 - a) The dangers of drug abuse in the workplace,
 - b) The person’s or organization’s policy of maintaining a drug-free workplace,
 - c) Any available counseling, rehabilitation and employees assistance programs, and
 - d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by Government code Section 8355(a), subdivision (3), that every employee who works on the proposed contract:
 - a) Will receive a copy of the company’s drug-free statement, and
 - b) Will agree to abide by the terms of the company’s statement as a condition of employment on the contract or grant.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized legally to bind the proposer to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

Respondent’s Authorized Signature

Title

Date Executed

In the County of

Federal Identification Number

References

EXHIBIT 2

Please fill out the References Template with basic information about no less than three clients that are current and receive similar services as described in this RFP. Clients that serve as references must have been customers of the proposer for at least one year from the issue date of this RFP. Each field must be completed.

Company One	
Name of Firm	
Contact Name	
Title of Individual	
Address of Firm	
Phone Number	
Description of Services	
Date of Services	
Dollar Value of Services Provided	

Company Two	
Name of Firm	
Contact Name	
Title of Individual	
Address of Firm	
Phone Number	
Description of Services	
Date of Services	
Dollar Value of Services Provided	

Company Three	
Name of Firm	
Contact Name	
Title of Individual	
Address of Firm	
Phone Number	
Description of Services	
Date of Services	
Dollar Value of Services Provided	

JOINT EXERCISE OF POWERS AGREEMENT

between

CALIFORNIA EARTHQUAKE AUTHORITY

and

CALIFORNIA EMERGENCY MANAGEMENT AGENCY

dated as of August 16, 2011

JOINT EXERCISE OF POWERS AGREEMENT

This Joint Exercise of Powers Agreement, dated as of August 16, 2011, (“Agreement”), is between CALIFORNIA EARTHQUAKE AUTHORITY, a public instrumentality of the State of California (“CEA”), and CALIFORNIA EMERGENCY MANAGEMENT AGENCY, an agency of the State of California (“Cal EMA”).

WITNESSETH

WHEREAS, Cal EMA is responsible under California Government Code section 8585(e) for the state’s emergency and disaster-response services for natural disasters and emergencies, including activities necessary to mitigate the effects of earthquakes on people and property; and

WHEREAS, the CEA is authorized by California Insurance Code section 10089.38 to supply grants, loans, and loan guarantees to owners of dwellings in California who wish to retrofit their homes to protect against earthquake damage; and

WHEREAS, the governing bodies of Cal EMA and the CEA have authorized Cal EMA and the CEA, respectively, to jointly exercise their common powers in the manner set forth in this Agreement;

WHEREAS, Cal EMA and the CEA have elected to create a joint exercise of powers entity, California Residential Mitigation Program (the “CRMP”) for the purposes stated, and to exercise jointly their powers described in, this Agreement;

NOW, THEREFORE, Cal EMA and the CEA, for and in consideration of their mutual promises in this Agreement, do agree as follows:

SECTION 1. PURPOSE

This Agreement is made pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (Sections 6500-6599.2) as the same may be amended from time to time (the "Law") to provide for the joint exercise of powers common to Cal EMA and the CEA and the powers separately conferred by law upon the CRMP for the purpose of supplying grants, loans, and loan guarantees (and related assistance and incentives) to owners of dwellings in California who wish to retrofit their homes to protect against earthquake damage, as more fully described in Section 4. The purpose of this Agreement is to exercise those powers jointly by funding and managing programming to accomplish that purpose; the purpose will be accomplished and those common powers jointly exercised as stated in this Agreement. The CRMP will fulfill the purposes of this Agreement by undertaking the activities described in Section 4 in accordance with the Law and all other applicable laws.

SECTION 2. TERM

This Agreement becomes effective on the date it is executed on behalf of both parties and it will continue in effect until December 31, 2021, unless it is extended or earlier terminated by written agreement of Cal EMA and the CEA or unless it is terminated on or after December 31, 2016, by at least 30 days' notice of termination from either party to the other.

SECTION 3. CRMP

A. Creation of CRMP

There is hereby created pursuant to the Law an authority and public entity to be known as "California Residential Mitigation Program" (the "CRMP"). The CRMP is a public entity and is separate from Cal EMA and the CEA. The debts, liabilities, contracts, obligations,

employees, and agents of the CRMP shall not constitute debts, liabilities contracts, obligations, employees or agents of Cal EMA, the CEA, or the State of California.

B. Governing Board

The CRMP shall be administered by a governing board (the “Board”), which shall consist of two members selected by the CEA and two members selected by Cal EMA. The term of office of any member of the Board shall continue for two years. Members of the Board shall not receive compensation for serving but are entitled to reimbursement for any expenses reasonably incurred in connection with their Board service.

C. Meetings of Board

(1) Regular Meetings and Special Meetings. The Board shall hold at least one regular meeting each year, and, by resolution, may provide for holding regular meetings at more frequent intervals. The date, hour, and place of each such regular meeting shall be fixed by resolution of the Board. The chairperson or vice chairperson of the Board, or a majority of the members of the Board, is authorized to call a special meeting of the Board on the date, and at the hour and place, fixed by notice to all Board members.

(2) Legal Notice. All regular and special meetings of the Board shall be called, noticed, held, and conducted under the provisions of the Bagley-Keene Open Meeting Act (California Government Code sections 11120 et seq.).

(3) Minutes. The secretary of the CRMP shall cause minutes of all Board meetings to be kept, and as soon as practicable after each meeting, shall send a copy of the minutes to be sent to each Board member and to Cal EMA and the CEA.

(4) Quorum. A majority of the members of the Board constitutes a quorum for the transaction of business. The Board shall take action only by the unanimous vote of all members present at a meeting at which a quorum is present.

D. Officers; Duties; Related Subjects

(1) The Board may elect from among members of the Board a chairperson and vice chairperson of the CRMP. By resolution, the Board shall appoint a secretary of the CRMP.

(2) The chief mitigation officer of the CEA is hereby designated as executive director of the CRMP, who shall be responsible to the Board for the proper and efficient administration of the CRMP as directed by the Board pursuant to the provisions of this Agreement or of any resolution of the Board. The executive director shall serve at the pleasure of the Board. In addition to any other duties that may be assigned, the executive director shall have the following authority:

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

(b) to authorize expenditures within the designations and limitations of the budget approved by the Board; and

(c) to make recommendations to and requests of the Board concerning any matter that is to be performed, done or carried out by the Board.

(3) The Board shall appoint a treasurer and auditor pursuant to the Law and shall have the power to appoint only such other officers, managers, and staff as it determines to be necessary to accomplish its purpose as stated in Section 2.

E. Business Plan

At its first meeting, the Board shall adopt a business plan and thereafter use its best efforts to have the CRMP operate in accordance with the business plan. The Board shall review and update the business plan no less frequently than annually.

SECTION 4. POWERS

The CRMP will have and may in its discretion exercise the powers common to Cal EMA and the CEA to supply grants, loans, and loan guarantees (and related assistance, services, and incentives) to qualifying owners of one to four family residential dwellings in California who wish to retrofit their dwellings to protect against earthquake damage and reduce earthquake loss. The business plan referred to in Section 3 will provide for the Board to select and contract with a private-sector program administrator and for program funds to be released in increments to the program administrator as Board-approved goals for educating the public, training contractors, and retrofitting dwellings are met as well as for the program administrator to release funds to or for the benefit of dwelling owners as retrofits are completed and the applicable requirements of the CRMP are met. The CRMP is hereby authorized to exercise all of the powers enumerated in Section 6508 of the Law or implied from that section, including the power to enter into contracts to manage the CRMP's programs and provide program services to dwelling owners. The CRMP may not issue bonds or other forms of indebtedness or notes or certificates of participation or lease-purchase agreements or any other securities, notwithstanding Article 2 and Article 4 of the Law; with those exceptions, the CRMP shall have all powers conferred under the Law as necessary to accomplish the purpose stated in Section 1.

SECTION 5. MANNER OF EXERCISING POWERS AND TERMINATION OF POWERS

The CRMP shall exercise its powers (such as its procurement and other contracting powers) in the same manner as the CEA exercises its powers, and the CRMP may continue to exercise its powers until the end of the term of this Agreement provided in Section 2.

SECTION 6. FISCAL YEAR

Unless and until changed by resolution of the Board, the fiscal year of the CRMP shall be the period from January 1 of each year to and including the following December 31, except for the first fiscal year which shall be the period from the date of this Agreement to the following December 31.

SECTION 7. CONTRIBUTIONS AND ADVANCES

At its sole discretion, a member may contribute or advance funds or property to the CRMP after obtaining the prior written consent of the other member to each contribution or advance. The CRMP shall deposit funds or property received from Cal EMA and the CEA in a fund hereby authorized to be established and operated by the CRMP, and any such fund is not a fund in the California State Treasury. Funds or property received from the CEA and so deposited in that fund is not state money within the intent of Section 16305.2 of the California Government Code, and Sections 16305.3 to 16305.7, inclusive, of the California Government Code shall not apply to money drawn or collected by the CEA; any contribution or advance of CEA funds or property shall have no effect on the CEA's status and authority as a public instrumentality of the State of California and, not by way of limitation, receipt by the CEA of any financial or other benefit through participation in the CRMP shall have no effect on the CEA's funding status as set forth in California Insurance Code section 10089.22(b). Any advance may, but need not, be made subject to repayment, and if made subject to repayment shall be repaid in the manner agreed upon by the contributor and the CRMP at the time of

making the advance. It is understood and agreed that neither Cal EMA nor the CEA has any obligation to make advances or contributions to the CRMP. At its sole discretion, a member may allow the use of its personnel, equipment, or property in lieu of other contributions or advances to the CRMP after obtaining the prior written consent of the other member thereto. After termination of this Agreement pursuant to Section 2, any money and other assets in possession of the CRMP after repayment of any advances made subject to repayment shall be returned to Cal EMA and the CEA in proportion to the contributions each has made.

SECTION 8. SEVERABILITY

Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any applicable law or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected.

SECTION 9. SUCCESSORS; ASSIGNMENT

This Agreement shall bind and inure to the benefit of the successors of the parties. Neither party may assign any right or obligation under this Agreement without the prior written consent of the other.

SECTION 10. AMENDMENT OF AGREEMENT

This Agreement may be amended only by an agreement executed by Cal EMA and the CEA.

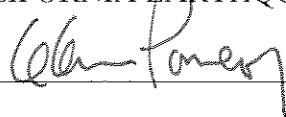
SECTION 11. MISCELLANEOUS

Section headings are for convenience and are not to be construed as modifying or governing the language in the section. Whenever this Agreement requires any consent or approval, consent or approval shall not be unreasonably withheld. Wherever this Agreement


refers to actions to be taken by Cal EMA or by the CEA, those actions may be exercised through the officers, staff, or employees of Cal EMA or the CEA, as the case may be, in the manner provided by law or regulation.

IN WITNESS WHEREOF, Cal EMA and the CEA have caused this Agreement to be executed and delivered on August 16, 2011, by their proper and duly authorized officers.

CALIFORNIA EARTHQUAKE AUTHORITY

By  _____

CALIFORNIA EMERGENCY MANAGEMENT AGENCY

By  _____

GOVERNMENT CODE - GOV

TITLE 1. GENERAL [100 - 7914]

(Title 1 enacted by Stats. 1943, Ch. 134.)

DIVISION 7. MISCELLANEOUS [6000 - 7599.2]

(Division 7 enacted by Stats. 1943, Ch. 134.)

CHAPTER 5. Joint Exercise of Powers [6500 - 6599.3]

(Chapter 5 added by Stats. 1949, Ch. 84.)

ARTICLE 1. Joint Powers Agreements [6500 - 6539.5]

(Article 1 added by Stats. 1949, Ch. 84.)

6500.

As used in this article, "public agency" includes, but is not limited to, the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, a federally recognized Indian tribe, or any joint powers authority formed pursuant to this article by any of these agencies.

(Amended by Stats. 2011, Ch. 266, Sec. 1. (AB 307) Effective January 1, 2012.)

6500.1.

This chapter shall be known and may be cited as the Joint Exercise of Powers Act.

(Added by Stats. 2000, Ch. 506, Sec. 8. Effective January 1, 2001.)

6501.

This article does not authorize any state officer, board, commission, department, or other state agency or institution to make any agreement without the approval of the Department of General Services or the Director of General Services if such approval is required by law.

(Amended by Stats. 1965, Ch. 371.)

6502.

If authorized by their legislative or other governing bodies, two or more public agencies by agreement may jointly exercise any power common to the contracting parties, including, but not limited to, the authority to levy a fee, assessment, or tax, even though one or more of the contracting agencies may be located outside this state.

It shall not be necessary that any power common to the contracting parties be exercisable by each such contracting party with respect to the geographical area in which such power is to be jointly exercised. For purposes of this section, two or more public agencies having the power to conduct agricultural, livestock, industrial, cultural, or other fairs or exhibitions shall be deemed to have common power with

respect to any such fair or exhibition conducted by any one or more of such public agencies or by an entity created pursuant to a joint powers agreement entered into by such public agencies.

(Amended by Stats. 2014, Ch. 386, Sec. 2. (AB 2170) Effective January 1, 2015.)

6502.5.

In addition to any power common to its member districts, the Resource Conservation Energy Joint Powers Agency has the authority to finance, construct, install, and operate projects for the production of biogas and electricity from the digestion or fermentation of animal or agricultural waste. The agency may undertake these projects within its jurisdiction or outside its jurisdiction. The authority to undertake projects outside the jurisdiction of the agency is limited to the geographical areas of Fresno, Kings, Madera, Merced, San Joaquin, and Tulare Counties.

Prior to undertaking a project authorized by this section outside the jurisdiction of the agency, the agency shall obtain approval of the board of supervisors of the county in which the project is to be located.

(Added by Stats. 1984, Ch. 956, Sec. 1. Effective September 10, 1984.)

6502.7.

(a) If authorized by their legislative or other governing bodies, two or more public agencies which have the authority to identify, plan for, monitor, control, regulate, dispose of, or abate liquid, toxic, or hazardous wastes or hazardous materials may, by agreement, jointly exercise any of these powers common to the contracting parties.

(b) The contracting parties may provide special services, including persons specially trained, experienced, expert, and competent to perform these special services.

(c) The provisions of this section are declaratory of existing law and do not limit any authority which already exists.

(Added by Stats. 1986, Ch. 126, Sec. 1.)

6503.

The agreements shall state the purpose of the agreement or the power to be exercised. They shall provide for the method by which the purpose will be accomplished or the manner in which the power will be exercised.

(Added by Stats. 1949, Ch. 84.)

6503.1.

(a) When property tax revenues of a county of the second class are allocated by that county to an agency formed for the purpose of providing fire protection pursuant to this chapter, those funds may only be appropriated for expenditure by that agency for fire protection purposes.

(b) As used in this section, "fire protection purposes" means those purposes directly related to, and in furtherance of, providing fire prevention, fire suppression, emergency medical services, hazardous materials response, ambulance transport, disaster preparedness, rescue services, and related administrative costs.

(c) This section shall not be interpreted to alter any provision of law governing the processes by which cities or counties select providers of ambulance transport services.

(Added by Stats. 2002, Ch. 339, Sec. 1. Effective January 1, 2003.)

6503.5.

Whenever a joint powers agreement provides for the creation of an agency or entity that is separate from the parties to the agreement and is responsible for the administration of the agreement, such agency or entity shall, within 30 days after the effective date of the agreement or amendment thereto, cause a notice of the agreement or amendment to be prepared and filed with the office of the Secretary of State. The agency or entity shall furnish an additional copy of the notice of the agreement or amendment to the Secretary of State, who shall forward the copy to the Controller. The notice shall contain:

(a) The name of each public agency that is a party to the agreement.

(b) The date that the agreement became effective.

(c) A statement of the purpose of the agreement or the power to be exercised.

(d) A description of the amendment or amendments made to the agreement, if any.

Notwithstanding any other provision of this chapter, any agency or entity administering a joint powers agreement or amendment to such an agreement, which agreement or amendment becomes effective on or after the effective date of this section, which fails to file the notice required by this section within 30 days after the effective date of the agreement or amendment, shall not thereafter, and until such filings are completed, issue any bonds or incur indebtedness of any kind.

(Amended by Stats. 2007, Ch. 343, Sec. 6. Effective January 1, 2008.)

6503.6.

(a) When an agency or entity files a notice of agreement or amendment to the agreement with the office of the Secretary of State pursuant to Section 6503.5, the agency or entity shall file a copy of the full text of the original joint powers agreement, and any amendment to the agreement, with the Controller. An agency or entity that meets the definition of a joint powers authority or joint powers agency under Section 56047.7 that was formed for the purpose of providing municipal services and that includes a local agency member that is a city, district, or county shall, within 30 days after the effective date of the agreement or amendment to the agreement, file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located.

(b) Notwithstanding any other provision of this chapter, any agency or entity administering a joint powers agreement or amendment to such an agreement, which agreement or amendment becomes effective on or after the effective date of

this section, which fails to file the notice with a local agency formation commission required by this section within 30 days after the effective date of the agreement or amendment shall not thereafter, and until those filings are completed, issue any bonds or incur indebtedness of any kind.

(Amended by Stats. 2016, Ch. 173, Sec. 1. (SB 1266) Effective January 1, 2017.)

6503.7.

Within 90 days after the effective date of this section, any separate agency or entity constituted pursuant to a joint powers agreement entered into prior to the effective date of this section and responsible for the administration of the agreement shall cause a notice of the agreement to be prepared and filed with the office of the Secretary of State. The agency or entity shall also furnish an additional copy of the notice of the agreement to the Secretary of State who shall forward the copy to the Controller. The notice shall contain all the information required for notice given pursuant to Section 6503.5.

Notwithstanding any other provision of this chapter, any joint powers agency that is required and fails to file notice pursuant to this section within 90 days after the effective date of this section shall not, thereafter, and until such filings are completed, issue any bonds, incur any debts, liabilities or obligations of any kind, or in any other way exercise any of its powers.

For purposes of recovering the costs incurred in filing and processing the notices required to be filed pursuant to this section and Section 6503.5, the Secretary of State may establish a schedule of fees. Such fees shall be collected by the office of the Secretary of State at the time the notices are filed and shall not exceed the reasonably anticipated cost to the Secretary of State of performing the work to which the fees relate.

(Amended by Stats. 2007, Ch. 343, Sec. 7. Effective January 1, 2008.)

6503.8.

(a) No later than July 1, 2017, an agency or entity that meets the definition of a joint powers authority or joint powers agency under Section 56047.7 that was formed for the purpose of providing municipal services prior to the effective date of this section, and that includes a local agency member that is a city, district, or county, shall cause a copy of the agreement and any amendments to the agreement to be filed with the local agency formation commission in each county within which all or any part of a local agency member's territory is located.

(b) Notwithstanding any other provision of this chapter, any agency or entity administering a joint powers agreement or amendment to such an agreement, which fails to file the notice with a local agency formation commission required by this section on or before July 1, 2017, shall not thereafter, and until those filings are completed, issue any bonds or incur indebtedness of any kind.

(Added by Stats. 2016, Ch. 173, Sec. 2. (SB 1266) Effective January 1, 2017.)

6504.

The parties to the agreement may provide that (a) contributions from the treasuries may be made for the purpose set forth in the agreement, (b) payments of public funds may be made to defray the cost of such purpose, (c) advances of public funds may be made for the purpose set forth in the agreement, such advances to be repaid as provided in said agreement, or (d) personnel, equipment or property of one or more of the parties to the agreement may be used in lieu of other contributions or advances. The funds may be paid to and disbursed by the agency or entity agreed upon, which may include a nonprofit corporation designated by the agreement to administer or execute the agreement for the parties to the agreement.

(Amended by Stats. 1977, Ch. 209.)

6505.

(a) The agreement shall provide for strict accountability of all funds and report of all receipts and disbursements.

(b) In addition, and provided a separate agency or entity is created, the public officer performing the functions of auditor or controller as determined pursuant to Section 6505.5, shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every agency or entity, except that the officer need not make or contract for the audit in any case where an annual audit of the accounts and records of the agency or entity by a certified public accountant or public accountant is otherwise made by any agency of the state or the United States only as to those accounts and records which are directly subject to such a federal or state audit. In each case the minimum requirements of the audit shall be those prescribed by the Controller for special districts under Section 26909 and shall conform to generally accepted auditing standards.

(c) When an audit of an account and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with each of the contracting parties to the agreement and also with the county auditor of the county where the home office of the joint powers authority is located and shall be sent to any public agency or person in California that submits a written request to the joint powers authority. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

(d) When a nonprofit corporation is designated by the agreement to administer or execute the agreement and no public officer is required to perform the functions of auditor or controller as determined pursuant to Section 6505.5, an audit of the accounts and records of the agreement shall be made at least once each year by a certified public accountant or public accountant, and a report thereof shall be filed as a public record with each of the contracting parties to the agreement and with the county auditor of the county where the home office of the joint powers authority is located, and shall be sent to any public agency or person in California that submits a written request to the joint powers authority. These reports shall be filed within 12 months after the end of the fiscal year or years under examination.

(e) Any costs of the audit, including contracts with, or employment of certified public accountants or public accountants, in making an audit pursuant to this section shall be borne by the agency or entity and shall be a charge against any unencumbered funds of the agency or entity available for the purpose.

(f) All agencies or entities may, by unanimous request of the governing body thereof, replace the annual special audit with an audit covering a two-year period.

(g) Notwithstanding the foregoing provisions of this section to the contrary, agencies or entities shall be exempt from the requirement of an annual audit if the financial statements are audited by the Controller to satisfy federal audit requirements.

(Amended by Stats. 1998, Ch. 876, Sec. 4. Effective January 1, 1999.)

6505.1.

The contracting parties to an agreement made pursuant to this chapter shall designate the public officer or officers or person or persons who have charge of, handle, or have access to any property of the agency or entity and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the contracting parties.

(Added by Stats. 1968, Ch. 972.)

6505.5.

If a separate agency or entity is created by the agreement, the agreement shall designate the treasurer of one of the contracting parties, or in lieu thereof, the county treasurer of a county in which one of the contracting parties is situated, or a certified public accountant to be the depository and have custody of all the money of the agency or entity, from whatever source.

The treasurer or certified public accountant so designated shall do all of the following:

(a) Receive and receipt for all money of the agency or entity and place it in the treasury of the treasurer so designated to the credit of the agency or entity.

(b) Be responsible, upon his or her official bond, for the safekeeping and disbursement of all agency or entity money so held by him or her.

(c) Pay, when due, out of money of the agency or entity held by him or her, all sums payable on outstanding bonds and coupons of the agency or entity.

(d) Pay any other sums due from the agency or entity from agency or entity money, or any portion thereof, only upon warrants of the public officer performing the functions of auditor or controller who has been designated by the agreement.

(e) Verify and report in writing on the first day of July, October, January, and April of each year to the agency or entity and to the contracting parties to the agreement the amount of money he or she holds for the agency or entity, the amount of receipts since his or her last report, and the amount paid out since his or her last report.

The officer performing the functions of auditor or controller shall be of the same public agency as the treasurer designated as depository pursuant to this section. However, where a certified public accountant has been designated as treasurer of

the entity, the auditor of one of the contracting parties or of a county in which one of the contracting parties is located shall be designated as auditor of the entity. The auditor shall draw warrants to pay demands against the agency or entity when the demands have been approved by any person authorized to so approve in the agreement creating the agency or entity.

The governing body of the same public entity as the treasurer and auditor specified pursuant to this section shall determine charges to be made against the agency or entity for the services of the treasurer and auditor. However, where a certified public accountant has been designated as treasurer, the governing body of the same public entity as the auditor specified pursuant to this section shall determine charges to be made against the agency or entity for the services of the auditor.

(Amended by Stats. 1999, Ch. 83, Sec. 65. Effective January 1, 2000.)

6505.6.

In lieu of the designation of a treasurer and auditor as set forth in Section 6505.5, the agency or entity may appoint one of its officers or employees to either or both of such positions. Such offices may be held by separate officers or employees or combined and held by one officer or employee. Such person or persons shall comply with the duties and responsibilities of the office or offices as set forth in subdivisions (a) to (d), inclusive, of Section 6505.5.

In the event the agency or entity designates its officers or employees to fill the functions of treasurer or auditor, or both, pursuant to this section, such officers or employees shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505.

(Added by Stats. 1979, Ch. 276.)

6506.

The agency or entity provided by the agreement to administer or execute the agreement may be one or more of the parties to the agreement or a commission or board constituted pursuant to the agreement or a person, firm or corporation, including a nonprofit corporation, designated in the agreement. One or more of the parties may agree to provide all or a portion of the services to the other parties in the manner provided in the agreement. The parties may provide for the mutual exchange of services without payment of any consideration other than such services.

(Amended by Stats. 1977, Ch. 209.)

6507.

For the purposes of this article, the agency is a public entity separate from the parties to the agreement.

(Amended by Stats. 1963, Ch. 990.)

6508.

The agency shall possess the common power specified in the agreement and may exercise it in the manner or according to the method provided in the agreement. If the agency is not one or more of the parties to the agreement but is a public entity, commission or board constituted pursuant to the agreement and such agency is authorized, in its own name, to do any or all of the following: to make and enter contracts, or to employ agents and employees, or to acquire, construct, manage, maintain or operate any building, works or improvements, or to acquire, hold or dispose of property or to incur debts, liabilities or obligations, said agency shall have the power to sue and be sued in its own name. Any authorization pursuant to the agreement for the acquisition by the agency of property for the purposes of a project for the generation or transmission of electrical energy shall not include the condemnation of property owned or otherwise subject to use or control by any public utility within the state.

The governing body of any agency having the power to sue or be sued in its own name, created by an agreement entered into after the amendment to this section at the 1969 Regular Session of the Legislature, between parties composed exclusively of parties which are cities, counties, or public districts of this state, irrespective of whether all such parties fall within the same category, may as provided in such agreement, and in any ratio provided in the agreement, be composed exclusively of officials elected to one or more of the governing bodies of the parties to such agreement. Any existing agreement composed of parties which are cities, counties or public districts which creates a governing board of any agency having the power to sue or be sued may, at the option of the parties to the agreement, be amended to provide that the governing body of the created agency shall be composed exclusively of officials elected to one or more of the governing boards of the parties to such agreement in any ratio agreed to by the parties to the agreement. The governing body so created shall be empowered to delegate its functions to an advisory body or administrative entity for the purposes of program development, policy formulation, or program implementation, provided, however, that any annual budget of the agency to which the delegation is made must be approved by the governing body of the Joint Powers Agency.

In the event that such agency enters into further contracts, leases or other transactions with one or more of the parties to such agreement, an official elected to the governing body of such party may also act in the capacity of a member of the governing body of such agency.

(Amended by Stats. 1979, Ch. 482.)

6508.1.

(a) If the agency is not one or more of the parties to the agreement but is a public entity, commission, or board constituted pursuant to the agreement, the debts, liabilities, and obligations of the agency shall be debts, liabilities, and obligations of the parties to the agreement, unless the agreement specifies otherwise. However, the parties to the agreement may not agree otherwise with respect to the retirement liabilities of the agency if the agency contracts with a public retirement system.

(b) For purposes of this section, "public retirement system" means any pension or retirement system of a public employer, including, but not limited to, an independent retirement plan offered by a public employer that the public employer participates in or offers to its employees for the purpose of providing retirement benefits, or a system of benefits for public employees that is governed by Section 401(a) of Title 26 of the United States Code.

(Amended by Stats. 2018, Ch. 909, Sec. 2. (AB 1912) Effective January 1, 2019.)

6508.2.

(a) (1) Prior to filing a notice of termination pursuant to Section 20570 or 20571, or a decision by the governing body of an agency that does not contract with the California Public Employees' Retirement System to dissolve or to cease the operations of the agency, member agencies of an agency established by agreement under this chapter that participates in, or contracts with, a public retirement system, shall mutually agree as to the apportionment of the agency's retirement obligations among themselves, provided that the agreement equals 100 percent of the retirement liability of the agency. A copy of this mutual agreement, signed by all parties thereto, shall be provided to the board, which shall be reflected in the agreement with the board. If the member agencies are unable to mutually agree, the board shall apportion the retirement liability of the agency to each member agency based on the share of service received from the agency, or population of each member agency, such that the apportionment equals 100 percent of the retirement liability of the agency, which shall be reflected in the agreement with the board.

(2) A member agency may challenge the determination by the board to apportion the retirement liability of the agency within 30 calendar days of the determination. However, a member, or a former member, that is not identified by the board pursuant to subdivision (a) shall not be permitted to challenge a determination by the board.

(A) A challenge pursuant to this paragraph shall be referred by the member agency or agencies that challenge a determination by the board to an arbitrator who shall, at his or her discretion, apportion the liability among the current and former member agencies such that the apportionment equals 100 percent of the retirement liability of the agency. The arbitrator shall make a decision as to the apportionment of liability no later than 60 calendar days following referral of a challenge.

(B) The final decision by the arbitrator shall be binding on all current and former member agencies, and all costs of arbitration shall be equally shared among the member agencies that are identified by the arbitrator to share in the apportioned liability. The arbitrator shall submit an official copy of his or her final decision to the board within seven calendar days of the decision.

(b) An agency shall not be permitted to terminate pursuant to Section 20570 or 20571, nor shall a decision by the governing body of an agency that does not contract with the California Public Employees' Retirement System to dissolve or cease to operate, become effective until a final determination or decision, pursuant to paragraph (1) or paragraph (2) of subdivision (a), is final.

(c) Upon notice by the board of a potential termination pursuant to Section 20572, an agency established by agreement under this chapter shall, within 60 calendar days, provide to the board a copy of an agreement, signed by all parties thereto, that sets forth the apportionment of 100 percent of the retirement obligations of the agency. If the agency does not timely provide a copy of the mutual agreement, the board shall in its sole discretion apportion the retirement liability of the agency among the current or former member agencies, such that the apportionment equals 100 percent of the retirement liability of the agency.

(1) A member agency may challenge the determination by the board to apportion the retirement liability of the agency within 30 calendar days of the determination. However, a member, or a former member, that is not identified by the board pursuant to subdivision (a) shall not be permitted to challenge a determination by the board.

(2) A challenge pursuant to paragraph (1) shall be referred by the member agency or agencies that challenge a determination by the board to an arbitrator who shall, at his or her discretion, apportion the liability among the current and former member agencies such that the apportionment equals 100 percent of the retirement liability of the agency.

(3) The arbitrator shall make a decision as to the apportionment of liability no later than 60 calendar days following referral of a challenge and shall submit an official copy of his or her final decision to the board within seven calendar days of the decision. The final decision by the arbitrator shall be binding on all current and former member agencies, and all costs of arbitration shall be equally shared among the member agencies that are identified by the arbitrator to share in the apportioned liability. The board may take action to terminate the agency's contract no earlier than 30 calendar days following the final decision by the arbitrator.

(d) Mutual agreement among the member agencies, or a determination by the board, as to the apportionment of the retirement liability of the agency pursuant to paragraph (1) of subdivision (a), or a decision by the arbitrator pursuant to paragraph (2) of subdivision (a), may include the apportionment of retirement liability to a former member of the agency.

(e) This section shall apply retroactively to a member agency, or current and former member agency, that has an agreement in existence with the board on or before January 1, 2019. In addition, this section shall apply to a new agreement between an agency and the board on or after January 1, 2019. However, this section shall not apply to an agency established pursuant to this chapter that has dissolved prior to January 1, 2019.

(f) For purposes of this section, "board" means the board of any pension or retirement system of a public employer, including, but not limited to, an independent retirement plan offered by a public employer that the public employer participates in or offers to its employees for the purpose of providing retirement benefits, or a system of benefits for public employees that is governed by Section 401(a) of Title 26 of the United States Code.

(g) Notwithstanding any other law, if a judgment is rendered against an agency or a party to the agreement for a breach to its obligations to the public retirement system, the time within which a claim for injury may be presented or an action commenced against any other party that is subject to the liability determined by the judgment begins to run when the judgment is rendered.

(Added by Stats. 2018, Ch. 909, Sec. 3. (AB 1912) Effective January 1, 2019.)

6509.

Such power is subject to the restrictions upon the manner of exercising the power of one of the contracting parties, which party shall be designated by the agreement.

(Added by Stats. 1949, Ch. 84.)

6509.5.

Any separate agency or entity created pursuant to this chapter shall have the power to invest any money in the treasury pursuant to Section 6505.5 that is not required for the immediate necessities of the agency or entity, as the agency or entity determines is advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code.

If a nonprofit corporation is designated by the agreement to administer or execute the agreement for the parties to the agreement, it shall invest any moneys held for disbursement on behalf of the parties in the same manner and upon the same conditions as local agencies pursuant to Section 53601.

(Amended by Stats. 1977, Ch. 209.)

6509.6.

Notwithstanding any other law, a joint powers authority created pursuant to this chapter may purchase or acquire, by sale, assignment, pledge, or other transfer from a local agency, and any local agency may sell, assign, pledge, or transfer to a joint powers authority any or all of that local agency's right, title, and interest in and to an assessment contract authorized by Chapter 29 (commencing with Section 5898.10) of Part 3 of Division 7 of the Streets and Highways Code, including any related lien, right, subsidy, or other right and receivable, and the enforcement and collection thereof, pursuant to any terms and conditions agreed to between the joint powers authority and the local agency.

(Added by Stats. 2010, Ch. 583, Sec. 2. (AB 1873) Effective January 1, 2011.)

6509.7.

(a) Notwithstanding any other provision of law, two or more public agencies that have the authority to invest funds in their treasuries may, by agreement, jointly exercise that common power. Funds invested pursuant to an agreement entered into under this section may be invested as authorized by subdivision (p) of Section 53601. A joint powers authority formed pursuant to this section may issue shares of beneficial interest to participating public agencies. Each share shall represent an equal proportionate interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares of beneficial interest shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (o), inclusive, of Section 53601.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

(b) As used in this section, "public agency" includes a nonprofit corporation whose membership is confined to public agencies or public officials, in addition to those agencies listed in Section 6500.

(Amended by Stats. 2008, Ch. 709, Sec. 1.7. Effective January 1, 2009.)

6510.

The agreement may be continued for a definite term or until rescinded or terminated. The agreement may provide for the method by which it may be rescinded or terminated by any party.

(Added by Stats. 1949, Ch. 84.)

6511.

The agreement shall provide for the disposition, division, or distribution of any property acquired as the result of the joint exercise of powers.

(Added by Stats. 1949, Ch. 84.)

6512.

The agreement shall provide that after the completion of its purpose, any surplus money on hand shall be returned in proportion to the contributions made.

(Added by Stats. 1949, Ch. 84.)

6512.1.

If the purpose set forth in the agreement is the acquisition, construction or operation of a revenue-producing facility, the agreement may provide (a) for the repayment or return to the parties of all or any part of any contributions, payments or advances made by the parties pursuant to Section 6504 and (b) for payment to the parties of any sum or sums derived from the revenues of said facilities.

Payments, repayments or returns pursuant to this section shall be made at the time and in the manner specified in the agreement and may be made at any time on or prior to the rescission or termination of the agreement or the completion of the purpose of the agreement.

(Added by Stats. 1957, Ch. 942.)

6512.2.

If the purpose set forth in the agreement is to pool the self-insurance claims of two or more local public entities, the agreement may provide that termination by any party to the agreement shall not be construed as a completion of the purpose of the agreement and shall not require the repayment or return to the parties of all or any part of any contributions, payments, or advances made by the parties until the agreement is rescinded or terminated as to all parties. If the purpose set forth in the agreement is to pool the self-insurance claims of two or more local public entities, it shall not be considered an agreement for the purposes of Section 895.2, provided that the agency responsible for carrying out the agreement is a member of the pool and the pool purchases insurance or reinsurance to cover the activities of that agency in carrying out the purposes of the agreement. The agreement may provide that after the completion of its purpose, any surplus money remaining in the pool shall be returned in proportion to the contributions made and the claims or losses paid.

(Amended by Stats. 2001, Ch. 38, Sec. 2. Effective January 1, 2002.)

6513.

All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of officers, agents or employees of any such public agency when performing their respective functions within the territorial limits of their respective public agencies, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this article.

(Added by Stats. 1949, Ch. 560.)

6514.

A state department or agency concerned with the provisions of services or facilities to persons with intellectual disabilities and their families may enter into agreements under this chapter.

(Amended by Stats. 2012, Ch. 457, Sec. 14. (SB 1381) Effective January 1, 2013.)

6514.5.

Any public agency may enter into agreements with other state agencies pursuant to the provisions of Section 11256.

(Added by Stats. 1983, Ch. 729, Sec. 1.)