

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT

This **Agreement** is executed in the State of California by and among those **members**, organized and existing under the Constitution of the State of California which are parties' signatory to this **Agreement**. All such **members**, hereinafter called **member**, shall be listed in Appendix A, which shall be attached hereto and made a part hereof.

RECITALS

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California **Government Code** (the "Joint Exercise of Powers Act," **Government Code** section 6500 *et seq.*) permits two or more public agencies by **Agreement** to exercise jointly powers common to the contracting parties; and

WHEREAS, Division 5 of the California Welfare and Institutions Code authorizes and directs California counties to obtain and administer public funds for, and to provide certain community mental health services to persons residing within said counties and cities; and

WHEREAS, in the November 2004 general election, the People of the State of California enacted Proposition 63, the Mental Health Services Act, which added certain provisions to the California Welfare and Institutions Code and to the California Revenue and Taxation Code, for the purpose of raising additional revenues and distribution of those revenues to California counties for use in providing expanded services in preventing, detecting, and treating mental illness among persons in their communities and other mental health sections of the Welfare and Institutions Code;

WHEREAS, the **members** executing this **Agreement** desire to join together for the purpose of jointly exercising their powers under some or all of the statutes referenced above.

NOW THEREFORE, the parties agree as follows:

ARTICLE 1

PURPOSES

This **Agreement** is entered into by the **Members** in order to jointly develop, and fund mental health services and education **Programs** as determined on a regional, statewide, or other basis. Such **Programs** may include, but are not limited to, the following:

- (a) Addressing suicide prevention.
- (b) Ethnic and cultural outreach.
- (c) Stigma and discrimination reduction related to mental illness.
- (d) Student mental health and workforce training and education.
- (e) Training, technical assistance, and capacity building.
- (f) The provision of necessary administrative services. Such administrative services may include, but shall not be limited to, establishing a depository for research materials and information regarding "best practices."

It shall be the intent of CMHSA that all such programs are fiscally self-contained requiring no additional funding from **members**. In addition, the indirect costs to operate the **Authority** shall be allocated to each of the Programs operated by the **Authority** as directed by its **members**.

ARTICLE 2

PARTIES TO THE AGREEMENT

Each **member**, as a party to this **Agreement**, certifies that it intends to and does contract with all other **members** as parties to this **Agreement** and, with such other **members** as may later be added as parties to this **Agreement**. Each **member** also certifies that the

removal of any party from this **Agreement**, pursuant to Article 9, shall not affect this **Agreement** or the **member's** obligations hereunder.

ARTICLE 3 POWERS OF THE AUTHORITY

The **Authority** shall have all of the powers common to General Law counties in California and all additional powers set forth in the Article 1, Chapter 5, Division 7, Title 1 of the California **Government Code** (beginning with Section 6500), and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

- (a) To make and enter into contracts.
- (b) To incur debts, liabilities, and obligations.
- (c) To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.
- (d) To sue and be sued in its own name, and to settle any claim against it.
- (e) To receive and use contributions and advances from **members** as provided in **Government Code** Section 6504, including contributions or advances of personnel, equipment, or property.
- (f) To invest any money in its treasury that is not required for its immediate necessities, pursuant to **Government Code** Section 6509.5.
- (g) To carry out all provisions of this **Agreement**.
- (h) To define fiscal and **Program** participation and withdrawal provisions of **members**.
- (i) Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law.

ARTICLE 4
TERM OF THE AGREEMENT

This **Agreement** shall become effective on July 1, 2009. This Agreement shall continue in effect until lawfully terminated as provided herein and in Bylaws.

ARTICLE 5
BOARD OF DIRECTORS

The **Authority** shall be governed by the **Board of Directors**, which shall be composed of the local county or city mental health director from each **member**, appointed or designated, and acknowledged in writing, by the **member** governing body and serving at the pleasure of that body. Each director shall also designate an alternate director who shall have the authority to attend, participate in and vote at any meeting of the **Board** when the director is absent. A Director or alternate director, upon termination of office or employment with the county, shall automatically terminate membership on the **Board**.

To adhere to the regulations of the Fair Political Practices Commission (Title 2, Division 6, California Code of Regulations), each Director and alternate shall file with the **Authority** the required Fair Political Practices Commission (FPPC) forms upon assuming office, during office, and upon termination of office.

Any vacancy in a director position shall be filled by the appointing governing body, subject to the provisions of this Article.

A majority of the membership of the **Board** shall constitute a quorum for the transaction of business. For voting purposes there shall be a total of 75 votes, whereas each **member** shall have one vote. The remaining votes shall be allocated to each **member** based on each **member's** proportionate percentage of the population based on the most recent census. This calculation shall be performed and reviewed annually in June, prior to the next fiscal year. Except as otherwise provided in this **Agreement** or any other duly executed **Agreement** of the

members, all actions of the **Board** shall require the affirmative vote of a majority of the **members** present and voting; provided, that any action which is restricted in effect to only one of the **Authority's Programs**, shall require the affirmative vote of a majority of those **Board members** who participate in that **Program**.

At any meeting at which a quorum is initially present, the **Board** may continue to transact business notwithstanding the withdrawal of enough **members** to leave less than a quorum, provided that each action is approved by at least a majority of the number required to constitute a quorum, and is taken subject to the above-stated proviso concerning actions restricted to one **Program** and to special voting requirements, if any, stated elsewhere in this **Agreement**.

ARTICLE 6

ACCOUNTS AND RECORDS

- (a) Annual Budget. The **Authority** shall annually adopt an operating budget which shall include a separate budget for each **Program** under development or adopted and implemented by the **Authority**.
- (b) Funds and Accounts. The **Authority** shall establish and maintain such funds and accounts as may be required by Generally Accepted Accounting Principles, or by any provision of law or any resolution of the **Authority**. Books and records of the **Authority** shall be open to inspection at all reasonable times by authorized representatives of **members**. Additionally, the **Authority** shall adhere to the standard of strict accountability for funds set forth in **Government Code** Section 6505.
- (c) Annual Audit. Pursuant to **Government Code** Section 6505, the **Authority** shall either make or contract with a certified public accountant to make an annual **Fiscal Year** audit of all accounts and records of the **Authority**, conforming in all respects with the requirements of that section. A report of the

audit shall be filed as a public record with each of the **members** and also with the county auditor of the county where the home office of the **Authority** is located and shall be sent to any public agency or person in California that submits a written request to the **Authority**. The report shall be filed within twelve months of the end of the **Fiscal Year** or years under examination. Costs of the audit shall be considered a general expense of the **Authority**.

ARTICLE 7

RESPONSIBILITIES FOR FUNDS AND PROPERTY

The Treasurer of the **Board** shall have the custody of and disburse the **Authority's** funds. He or she may delegate disbursing authority to such persons as may be authorized by the **Board** of Directors to perform that function, subject to the requirements of (b) below.

Pursuant to **Government Code** Section 6505.5, the Treasurer of the **Board** shall:

- (a) Receive and acknowledge receipt for all funds of the **Authority** and place them in the treasury so designated by the Treasurer of the **Board** to the credit of the **Authority**.
- (b) Be responsible upon his or her official bond for the safekeeping and disbursements of all **Authority** funds so held by him or her.
- (c) Be responsible for oversight of payment, when due, out of money of the **Authority** so held, all sums payable by the **Authority**. The **Board** of Directors may delegate authority to anybody or person to make such payments from **Authority** funds.
- (d) Verify and report in writing to the **Authority** and to **members**, as of the first day of each quarter of the **Fiscal Year**, the amount of money then held for the **Authority**, the amount of receipts since the last report, and the amount paid out since the last report.

Pursuant to **Government Code** Section 6505.1, the **Authority** shall designate the public office or officers or person(s) who shall have charge of, handle, and have access to the

property of the **Authority** and shall require such officer(s) or person(s) to file an official bond in amount fixed by the contracting parties.

ARTICLE 8

WITHDRAWAL

- a) A **member** may withdraw as a party to this **Agreement** upon written notice no later than December 31 of the **Fiscal Year**, effective the end of the **Fiscal Year**, to the **Authority** if it has never become a participant in any **Program** or if it has previously withdrawn from all **Programs** in which it was a participant.
- b) **Member's Program** Withdrawal from **Programs** will be defined in the specific **Program** Bylaws.

ARTICLE 9

CANCELLATION

Notwithstanding the provisions of Article 8, the **Board** of Directors may:

- (a) Cancel any **member** from this **Agreement** and membership in the **Authority**, on a two-thirds (2/3) vote of the **Board members** present and voting. Such action shall have the effect of canceling the **member's** participation in all **Programs** of the **Authority** as of the date that its membership is canceled.
- (b) Cancel any **member's** participation in a **Program** of the **Authority**, without canceling the **member's** membership in the **Authority** of participation in other **Programs**, on a majority vote of the **Board members** present and voting who represent participants in the **Program**.

The **Board** shall give sixty (60) days advance written notice of the effective date for any cancellation under the foregoing provisions. Upon such effective date, the **member** shall be treated the same as if it had voluntarily withdrawn from this **Agreement**, or from the **Program**, as the case may be.

ARTICLE 10

EFFECT OF WITHDRAWAL OR CANCELLATION

If a **member's** participation in a **Program** of the **Authority** is cancelled with or without cancellation of membership in the **Authority**, and such cancellation is effective before the end of the **Fiscal Year** for that **Program**, the **Authority** shall promptly determine and return to that **member** the amount of any unearned payment from the **member** for the **Fiscal Year**, such amount to be computed on a pro-rata basis from the effective date of cancellation.

Except as provided above, a **member** which withdraws or is cancelled from this **Agreement** and membership in the **Authority**, or from any **Program** of the **Authority**, shall not be entitled to the return of any payment to the **Authority**, or of any property contributed to the **Authority**. However, in the event of termination of this **Agreement**, such **member** may share in the distribution of assets of the **Authority** to the extent provided in Article 11 provided.

Those **members** who have withdrawn or been cancelled pursuant to Article 9 from any **Program** of the **Authority** during a coverage year shall pay any charges which the **Board** of Directors determines are due from the **members** for which were incurred during the **members** participation in any **Program**.

ARTICLE 11

TERMINATION AND DISTRIBUTION OF ASSETS

A two-thirds vote of the total voting membership of the **Authority**, consisting of **members**, acting through their governing bodies, and the voting **Board members** from the **member** public entities, is required to terminate this **Agreement**; provided, however, that this **Agreement** and the **Authority** shall continue to exist after such election for the purpose of disposing of all claims, distributing all assets, and performing all other functions necessary to conclude the affairs of the **Authority**.

Upon termination of this **Agreement**, all assets of the **Authority** in each **Program** shall be distributed among those **members** who participated in that **Program** in proportion to their cash contributions and property contributed (at market value when contributed). The **Board** of Directors shall determine such distribution within six (6) months after disposal of the last pending claim or other liability covered by the **Program**.

ARTICLE 12

LIABILITY OF BOARD OF DIRECTORS, OFFICER, COMMITTEE MEMBERS AND ADVISORS

The **members** of the **Board** of Directors, Officers, committee **members** and advisors to any **Board** or committees of the **Authority** shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this **Agreement**. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by the agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of **Authority** funds, or failure to invest.

No **Board** of Director, Officer, committee **member** or advisor to any **Board** or committee shall be responsible for any action taken or omitted by any other **Board** of Director, Officer, committee **member**, or advisor to any committee. No **Board** of Director, Officer, committee **member** or advisor to any committees shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to this **Agreement**.

The funds of the **Authority** shall be used to defend, indemnify and hold harmless the **Authority** and any **Board** of Director, Officer, committee **member** or advisor to any committee for their actions taken within the scope of the **Authority**. Nothing herein shall limit the right of the **Authority** to purchase insurance to provide such coverage as is hereinabove set forth.

ARTICLE 13

BYLAWS

The **Board** shall adopt Bylaws consistent with this **Agreement** which shall provide for the administration and management of the **Authority**.

ARTICLE 14

NOTICES

The **Authority** shall address notices, billings and other communications to a **member** as directed by the **member**. Each **member** shall provide the **Authority** with the address to which communications are to be sent. **Members** shall address notices and other communications to the **Authority** to the Executive Director of the **Authority**, at the office address of the **Authority** as set for in the Bylaws.

ARTICLE 15

AMENDMENT

A two-thirds vote of the total voting membership of the **Authority**, consisting of **members**, acting through their governing bodies, is required to amend this **Agreement**.

ARTICLE 16

PROHIBITION AGAINST ASSIGNMENT

No **member** may assign any right, claim or interest it may have under this **Agreement**, and no creditor, assignee or third party beneficiary of any **member** shall have any right, claim or title to any part, share, interest, fund, or asset of the **Authority**.

ARTICLE 17

EFFECTIVE DATE OF THE AMENDMENTS

Any duly-adopted amendment to this **Agreement** shall become effective upon the date specified by the **Board** and upon approval of any amended **Agreement** as required in Article 15. Approval of any amendment by the voting governing body of the **members** must take place no later than 60 days following the effective date specified by the **Board**.

ARTICLE 18

DISPUTE RESOLUTION

When a dispute arises between the **Authority** and the **member**, the following procedures are to be followed:

- (a) Request for Reconsideration. The **member** will make a written request to the **Authority** for the appropriate committee to reconsider their position, citing the arguments in favor of the **member** and any applicable case law that applies. The **member** can also request a personal presentation to the governing body, if it so desires.
- (b) Committee Appeal. The committee responsible for the **program** having jurisdiction over the decision in question will review the matter and reconsider the **Authority's** position. This committee appeal process is an opportunity for both sides to discuss and substantiate their positions based upon legal arguments and the most complete information available. If the **member** requesting reconsideration is represented on the committee having jurisdiction, the committee **member** shall be deemed to have a conflict and shall be excluded from any vote.
- (c) **Executive Committee** Appeal. If the **member** is not satisfied with the outcome of the committee appeal, the matter will be brought to the **Executive Committee** for reconsideration upon request of the **member**. If the **member** requesting reconsideration is represented on the **Executive Committee**, that **Executive Committee** member shall be deemed to have a conflict and shall be excluded from any vote.
- (d) Arbitration. If the **member** is not satisfied with the outcome of the **Executive Committee** appeal, the next step in the appeal process is arbitration. The arbitration, whether binding or non-binding, is to be mutually agreed upon by the parties. The matter will be submitted to a mutually agreed arbitrator or panel of arbitrators for the determination. If binding arbitration is selected, then of course the decision of the arbitrator is final. Both sides agree to abide by the decision of the arbitrator. The cost of arbitration will be shared equally by the involved **member** of the **Authority**.

(e) Litigation. If, after the following the dispute resolution procedures above either party is not satisfied with the outcome of the non-binding arbitration process, either party may consider litigation as possible means of seeking a remedy to the dispute.

ARTICLE 19 DEFINITIONS

“**Agreement**” shall mean the Joint Powers **Agreement** of the California Mental Health Services **Authority**”

“**Authority**” shall mean the California Mental Health Services **Authority** created by this **Agreement**.

“**Board of Directors**” or “**Board**” shall mean the governing body of the **Authority**.

Authority “**Fiscal Year**” shall mean that period of twelve months which is established by the **Board** of Directors as the **Fiscal Year** of the **Authority**.

“**Government Code**” shall mean the California **Government Code**.

“**Executive Committee**” shall be defined by the bylaws, as to composition, powers, and terms.

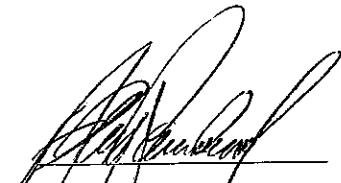
“**Joint Powers Act**” shall mean the Joint Exercise of Powers Act, set forth at Article 1, Chapter 5, Division 7, Title 1 (commencing with section 6500) of the **Government Code**.

“**Member**” shall mean any county or city which, through the membership of its Director of Mental Health as appointed by the governing body (pursuant to Welfare & Institutions Code Section 5751 has executed this **Agreement** and become a **member** of the **Authority**.


“**Program**” shall mean the mental health initiatives, but not limited to, that are described in this **Agreement**. The **Board** of Directors or the **Executive Committee** may determine applicable criteria for determining **Member**'s eligibility in any **Program**, as well as establishing **Program** policies and procedures.

ARTICLE 20
AGREEMENT COMPLETE

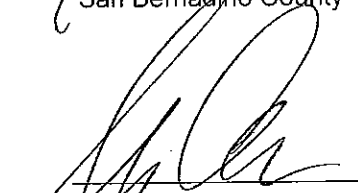
This **Agreement** constitutes the full and complete **Agreement** of the parties.


Allan Rawland
San Bernadino County


7/9/09
Date


Mike Opredek
Solano County

7/9/09
Date


Dr. Wayne Clark
Monterey County

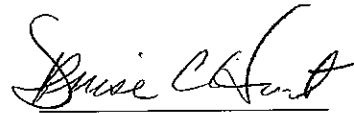
7/9/09
Date


Curtis Boewer
Colusa County

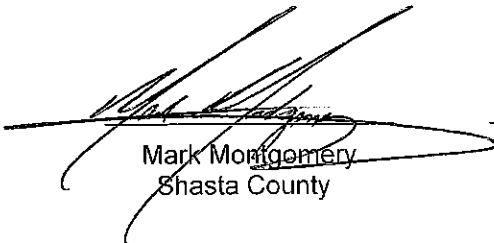
7/9/09
Date

Dr. Karen Baylor
San Luis Obispo County

Date


Denise Hunt
Stanislaus County

7/9/09
Date


Mark Montgomery
Shasta County

7/9/09

Date

APPENDIX A

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
BOARD OF DIRECTORS AND MEMBER LISTING**

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Director Member**
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Mr. Curtis Boewer, MPA, MFT – Treasurer
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Effective June 11, 2009