

JOINT POWERS AGREEMENT
**Between Participating Cities, Contra Costa County, and the Contra Costa Flood Control
and Water Conservation District to Establish the Contra Costa County Regional
Alternative Compliance Joint Powers Authority for
Implementation of the Contra Costa County Regional Alternative Compliance System**

This Joint Powers Agreement (“Agreement”) dated July 1, 2026, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 *et seq.*) of the California Government Code relating to the joint exercise of powers among [INSERT FINAL LIST OF PARTICIPATING AGENCIES] (collectively, “Member Agencies” and each, individually, a “Member Agency”). The term “Member Agencies” shall also include a public agency added to this Agreement in accordance with Section 14.

RECITALS

A. The joint powers authority (“JPA”) formed pursuant to this Agreement to administer the Contra Costa County Regional Alternative Compliance (“RAC”) System is authorized to (i) establish a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982 (“Mello-Roos Act”) in order to finance on-going maintenance costs for “Off-Site GSI Projects” constructed pursuant to the RAC System, and (ii) take other actions in furtherance of the RAC System.

B. The RAC System is a program designed to offer a flexible, cost-effective, and scientifically defensible compliance option for the Municipal Regional Permit’s development provisions requiring post-construction stormwater treatment. The Municipal Regional Permit is a Municipal Regional Stormwater National Pollutant Discharge Elimination System (“NPDES”) Permit issued by the San Francisco Bay Regional Water Quality Control Board, Permit No. CAS612008.

C. The RAC System allows the owners of regulated developments and certain public agencies (buyers) to purchase “compliance units” in green stormwater infrastructure (GSI) treatment facilities or “Off-Site GSI Projects” constructed elsewhere within the County.

D. The developers of the Off-Site GSI Projects, which may be public agencies or private entities, generate the “compliance units” that can be exchanged through the RAC System and purchased by the buyers (owners of the regulated developments and public agencies that cannot treat stormwater on their own sites). Private buyers will contribute to the cost of operating and maintaining the Off-Site GSI Projects by annexing their development sites into the proposed community facilities district formed by the JPA. Public agencies that are buyers will pay fees directly to the JPA as an alternative funding mechanism because such public agencies cannot be levied a special tax under the proposed community facilities district.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Member Agencies as follows:

1. DEFINITIONS

Capitalized terms used in the Agreement shall have the meanings specified below, unless the context requires otherwise.

- 1.1 “Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*).
- 1.2 “Agreement” means this Joint Powers Agreement.
- 1.3 “Board” means the Board of Directors for the Joint Powers Authority.
- 1.4 “Effective Date” means the date on which this Agreement shall become effective and the JPA shall exist as a separate public agency, as further described in Section 5.
- 1.5 “JPA” means the Contra Costa County Regional Alternative Compliance Joint Powers Authority.
- 1.6 “Off-Site GSI Project” means a green stormwater infrastructure project eligible to exchange compliance credits under the RAC System.
- 1.7 “RAC System” means the Contra Costa County Regional Alternative Compliance System.

2. NAME OF THE JPA

The JPA shall be known as the Contra Costa County Regional Alternative Compliance Joint Powers Authority.

3. PURPOSE

The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Member Agency and any other powers granted to the JPA under applicable law, including the Act and the Mello-Roos Act. The JPA shall administer the RAC System.

4. ESTABLISHMENT OF THE JPA

4.1 Separate Legal Entity. The JPA, as a joint powers authority, is a separate entity from the Member Agencies and is responsible for the administration of this Agreement.

4.2 Filing of Notices with Secretary of State and County Clerk. Within thirty (30) days after the Effective Date of this Agreement, the JPA shall cause a notice of this Agreement to be prepared and filed with the office of the California Secretary of State and the State Controller containing the information required by California Government Code Section 6503.5.

4.3 Filing of Notices with County and LAFCO. Within seventy (70) days after the Effective Date of this Agreement, the JPA shall cause a statement of the information concerning the JPA, required by California Government Code Section 53051, to be filed with the office of the California Secretary of State, the Contra Costa County Clerk, and the Contra Costa County Local Agency Formation Commission (LAFCO) stating the facts required to be stated pursuant to subdivision (a) of Government Code Section 53051.

5. TERM

The Agreement shall become effective upon the earlier date of July 1, 2026, provided that two Member Agencies have executed the Agreement by such date, or when all Member Agencies have executed the Agreement (“Effective Date”). The Agreement will remain effective until the JPA is dissolved through procedures outlined in Section 18 of this Agreement.

6. POWERS AND OBLIGATIONS OF THE JPA

6.1 General Powers. The JPA shall have the power in its own name to exercise any and all common powers of its Member Agencies and such additional powers accorded to it by law reasonably related to the purposes of the JPA, including, but not limited to, the powers to:

- a. Acquire, lease, construct, own, manage, maintain, dispose of or operate (subject to the limitations herein) any buildings, works or improvements within the boundaries of the Member Agencies deemed necessary by the Board to implement the RAC System;
- b. Acquire, hold, manage, maintain, or dispose of any other property within the boundaries of the Member Agencies by any lawful means, including without limitation gift, purchase, lease, lease-purchase, license, eminent domain or sale to support the RAC System;
- c. Seek, receive, and administer funding from any available public, non-profit, foundation or private source, including grants or loans under any available Federal, State and local programs to support the RAC System;
- d. Make and enter into other contracts;
- e. Form and implement one or more community facilities districts pursuant to the Mello-Roos Act;
- f. Incur all authorized debts, liabilities, and obligations, subject to the limitations herein to accomplish the stated purposes and objectives of the JPA;

- g. Receive gifts, contributions and donations of property, funds, services and other forms of financial or other assistance from any persons, firms, corporations or governmental entities;
- h. Sue and be sued in its own name;
- i. Seek the adoption or defeat of any Federal, State or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the JPA;
- j. Adopt rules, regulations, policies, bylaws and procedures governing the operation of the JPA;
- k. Invest money pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the JPA, as the JPA determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code as it now exists or may hereafter be amended;
- l. Carry out and enforce all the provisions of this Agreement; and
- m. Exercise all other powers not specifically mentioned herein, but common to Member Agencies, and authorized by California Government Code Section 6508 as it now exists or may hereafter be amended.

6.2 Specific Powers and Obligations. The JPA shall have the power in its own name to exercise the following specific powers and obligations to:

- a. Conduct an audit of the records and accounts of the JPA annually by an independent certified public accountant and ensure that copies of such audit report shall be filed with the State Controller and the County Auditor, and shall be provided to the Member Agencies no later than fifteen (15) days after receipt of such audit reports by the JPA;
- b. Use any statutory power available to it necessary or desirable to finance the exercise of any power of the JPA; and
- c. Defend, hold harmless and indemnify, to the fullest extent permitted by law, each Member Agency from any liability, claims, suits or other actions.

7. BOARD OF DIRECTORS

7.1 JPA Governing Board. The JPA shall be governed by a Board of Directors. Each director shall have a single vote on matters coming before the Board.

7.2 Board Members and Alternates. Within thirty (30) days after the Effective Date of this Agreement, each Member Agency shall designate and appoint one its officers, officials, or employees to serve as its representative on the Board. Within thirty (30) days after a new Member Agency becomes a party to this Agreement, the Member Agency shall designate and appoint one of its officers, officials, or employees to serve as its representative on the Board. Each Member Agency may appoint an alternate representative who is authorized to serve on the

Board only in the absence of the Member Agency's primary representative, with the same authority as the primary representative. All primary representatives and alternates shall serve until they are replaced by the appointing Member Agency, or until the withdrawal of the Member Agency from this Agreement, or until such time as they are no longer an officer, official, or employee of the Member Agency. Board members and their alternates shall serve without compensation, but they shall be entitled to reimbursement of expenses they actually incur in connection with their service on the Board, provided such expense is authorized in advance by the Board.

7.3 Qualifications. Each Member Agency shall determine the officers, officials, or employees that will serve as the Member Agency's primary representative, and their alternate, on the Board of Directors.

7.4 Board Officers. The Board shall annually select one of its members to serve as Chair and another member to serve as Vice Chair.

a. If the Chair is unable to continue serving on the Board, then the Vice-Chair shall become Chair. The Board shall then select a new Vice Chair from among the remaining members of the Board.

b. If the Vice Chair is unable to continue serving on the Board, the Board shall select a new Vice Chair from among the remaining members of the Board.

c. The Chair shall preside over all meetings of the Board and perform such other duties as may be imposed by the Board in accordance with applicable law and this Agreement.

d. The Vice-Chair shall preside over all meetings of the Board in the Chair's absence and perform such other duties as may be imposed by the Board in accordance with applicable law and this Agreement when the Chair is absent.

7.5 Additional Officers and Consultants. The Board may appoint any additional officers deemed necessary or desirable. The Board may also retain such consultants or independent contractors as may be deemed necessary.

7.6 Bonding Requirements. The officers or persons designated to have charge of, handle, or have access to any funds or property of the JPA shall be so designated and empowered by the Board. Each such officer or person may be required to file an official bond with the JPA in an amount established by the Board.

7.7 Subcommittees. The Board may create permanent or ad hoc subcommittees to give advice to the Board on such matters as may be referred to such subcommittee by the Board.

7.8 Meetings. The Board shall hold publicly noticed meetings in accordance with a schedule established by the Board. The Board shall meet no less than once per year. Meetings shall be conducted and noticed in accordance with the provisions of the Ralph M. Brown Act.

7.9 Voting. All voting powers of the JPA shall reside in the Board.

7.10 Quorum; Votes for Board Actions. A majority of the members of the Board, or their alternates, shall constitute a quorum for the transaction of business, except that less than a quorum of the Board may adjourn a meeting for lack of quorum. Except as provided in Section 14 or where a larger affirmative vote is required by law, any action of the Board shall require an affirmative vote of a majority of the Directors present at a meeting, provided that a quorum of the Board is present.

7.11 Approval of Annual Budget. The JPA's fiscal year shall begin July 1 of each calendar year, and it shall end on June 30 of the next calendar year; provided, however, that the JPA's first fiscal year shall begin the date this Agreement becomes effective, and it shall end on the June 30 occurring thereafter. In each fiscal year after the first fiscal year, prior to April 1 of each year, the Manager shall prepare and present a proposed budget for the following fiscal year to the Board for its review and consideration; and prior to July 1 of each year, the Board shall consider approving the final budget for the following fiscal year.

7.12 Minutes. The Secretary shall cause minutes of all meetings of the Board to be drafted. Upon approval by the Board, such minutes shall become a part of the official records of the JPA.

7.13 Conflicts of Interest.

a. California Political Reform Act. Board members shall be considered "public officials" within the meaning of the California Political Reform Act of 1974, as amended, and its regulations, for purposes of financial disclosure, conflict of interest and other requirements of such Act.

b. Levine Act. Board members are "officials" within the meaning of California Government Code Section 84308 (the "Levine Act") and subject to the restrictions of such act on the acceptance, solicitation or direction of contributions.

8. POWERS AND DUTIES OF GOVERNING BOARD

8.1 Powers and Duties. In addition to exercising the powers and obligations of the JPA set forth in Section 6, or as otherwise provided by law, the JPA Board of Directors shall have the following powers:

a. Perform the activities described in Section 8.2 with respect to the community facilities district described therein;

b. Perform activities necessary and convenient to assist Member Agencies comply with the Municipal Regional Permit and to implement the RAC System, including filing required documentation with the San Francisco Regional Water Quality Control Board;

c. Review and recommend an annual budget to the Member Agencies, which shall include the proposed contribution from each Member Agency;

d. Make and enter into contracts or sub-contracts, and authorize by resolution officers or agents to execute such contracts;

- e. Incur debt, liabilities and obligations on behalf of the JPA as authorized by law;
- f. Invest JPA funds pursuant to an investment policy of the JPA adopted by the Board of Directors;
- g. Receive contributions, donations or grants of property, funds, services, or other forms of assistance from any source;
- h. Coordinate JPA activities with other Joint Powers Authorities or public agencies established for similar purposes in pursuing the common purposes set forth above;
- i. Appoint a Legal Advisor for the JPA;
- j. Appoint, suspend and or terminate the Manager or enter into and terminate agreements for Management Services;
- k. Appoint a Secretary;
- l. Adopt, and amend from time to time, bylaws, rules, and regulations for the conduct of meetings of the Board and of the affairs of the JPA consistent with this Agreement; and
- m. Adopt, and amend from time to time, a conflict of interest code.

8.2 Community Facilities District. The Board of Directors will consider forming one or more community facilities districts (each, a “CFD”) in accordance with the Mello-Roos Act to finance maintenance of Off-Site GSI Projects. If a CFD is formed by the Board, the following will apply:

- a. The CFD will levy special taxes on development sites owned by private buyers to finance maintenance of Off-Site GSI Projects. Off-Site GSI Projects may be publicly-owned or privately-owned. The JPA is authorized and empowered to enter into agreements with owners of Off-Site GSI Projects to provide for CFD funding of maintenance.
- b. The CFD will initially be formed to include (i) original CFD boundaries that consist of a single property within the jurisdiction of one of the Member Agencies, and (ii) a future annexation area that includes the remaining territory of the initial Member Agencies. As a result of such agencies executing this Agreement, no further approval shall be required from such Member Agencies for the Board of Directors to include such Member Agencies’ territory in the original CFD boundaries or the CFD’s future annexation area or to annex properties in such Member Agencies’ territory to a CFD.
- c. As additional public agencies join the CFD, the Board of Directors will consider adding such agencies’ territory to the CFD’s future annexation area. As a result of such agencies executing this Agreement, no further approval shall be required from such agencies for the Board of Directors to add such agencies’ territory to the CFD’s future annexation area or to annex properties in such Member Agencies’ territory to a CFD.

d. Each Member Agency shall approve this Agreement by adopting a resolution in the form determined by the JPA. The terms and provisions of such resolution along with this Agreement shall constitute a joint exercise of powers agreement as defined in Section 53316.2 of the Mello-Roos Act between the JPA and a Member Agency.

e. The Board of Directors will be responsible for considering the levy of special taxes to fund maintenance of Off-Site GSI Projects and administering the CFD. The Board of Directors may engage necessary consultants to assist with the formation and administration of a CFD.

f. The Board of Directors shall be responsible for preparing and approving all reports and notices required by the Mello-Roos Act. The Board of Directors may delegate to the Manager, or contract with another person or entity, the preparation of reports and notices required by the Mello-Roos Act, provided that the Board of Directors retains discretion to approve the reports and notices prior to submission, circulation, or publication.

9. OPERATIONS AND FACILITIES

9.1 Principal Office. The principal physical office of the JPA shall be established by Board resolution at one of the Member Agencies' offices or at another suitable location within a Member Agency's jurisdiction.

9.2 Assumption of Responsibilities by the JPA. As soon as practicable after the Effective Date of this Agreement, a notice of an organizational meeting of the Board shall be published. During the first meeting, the Board shall designate a Manager, or engage a contractor to perform Management Services, who shall have the authority described in Section 11 and as otherwise delegated by the Board.

9.3 Delegation of Authority; Transfer of Records, Accounts, Funds and Property. The JPA shall establish procedures by which it may receive the transfer of records, accounts, funds or property from Member Agencies or other entities.

10. NO EMPLOYEES

10.1 The JPA shall not hire employees or retain consultants that could otherwise be classified as common law employees.

11. MANAGER OF THE JPA

11.1 Powers and Duties. The Manager contracted by the Agency may be a staff person of one of the Member Agencies, a consultant, an independent contractor, or an employee of another entity who can perform the responsibilities and duties described in this section JPA, as determined by the Board in its sole discretion. The Manager shall have the following powers, responsibilities and duties:

a. Plan, coordinate and supervise the operation of the JPA on a day-to-day basis to ensure that the policies and direction of the Board are implemented operationally and administratively;

- b. Make recommendations to the Board regarding the operations of the JPA and, if formed, the CFD;
- c. Supervise and manage JPA contractors;
- d. Establish administrative policies and procedures for the JPA consistent with and in order to implement directives from the Board;
- e. Prepare the annual budget for submission to the Board;
- f. Support compliance activities for the Member Agencies' compliance with the Municipal Regional Permit through the RAC System; and
- g. Such other powers and authority delegated by the Board.

12. TREASURER AND AUDITOR

12.1 The Board shall appoint one of its officers to be the Auditor of the JPA. The Auditor shall draw warrants or check-warrants against funds of the JPA held by the Treasurer when the demands are approved by the Board of Directors or other person designated for that purpose and delegated that authority. The Board may transfer the responsibilities of Auditor to any person or entity authorized by Government Code Sections 6505.5 or 6505.6.

12.2 The Treasurer of the JPA shall be a certified public accountant. The Treasurer shall receive, have custody of, and disburse all monies of the JPA. The Board may transfer the responsibilities of Treasurer to any person or entity authorized by Government Code Sections 6505.5 or 6505.6.

13. INSURANCE AND LIABILITY

13.1 Insurance Coverage. The JPA shall be responsible for obtaining insurance coverage for its activities, as the Board deems appropriate.

13.2 Limitation on Liability. No debt, liability, or obligation of the JPA shall constitute a debt, liability, or obligation of any Member Agency. Except as expressly authorized by the Member Agencies, no Member Agency shall be responsible for the acts and omissions of another Member Agency's officers or employees nor shall a Member Agency incur any liabilities arising out of the services and activities of another Member Agency's officers or employees.

14. ADDITION OF MEMBER AGENCIES

The addition of any other agency as a Member Agency to the JPA shall require the approval of three-quarters of the entire Board. Upon approval by the Board, the new Member Agency shall execute a copy of this Agreement and return it to the JPA to be appended to the official version of this Agreement. Recognizing the effort of the original Member Agencies to establish the JPA, the Board may require a financial contribution to become a member of the JPA.

15. MAINTENANCE AND OPERATION COSTS: COST ALLOCATION

15.1 Records and Accounts. The JPA shall cause to be kept accurate and correct books of account, showing capital costs (if any), and maintenance and operation costs of the JPA. The aforementioned described books and records shall be open to inspection at all times during normal business hours by Member Agencies. The Treasurer shall cause all financial records of the JPA to be audited by an independent public accountant or certified public accountant at least once a fiscal year and a copy of the audit to be delivered promptly to each Member Agency.

15.2 Allocation of Operating Expenses. Unless changed by mutual agreement of the Member Agencies, the operating costs and expenses in the budget shall be shared equally by the Member Agencies. Notwithstanding the foregoing, any remaining operating costs and expenses associated with the operation and maintenance of the Off-Site GSI Projects and the administration of the CFD, which are not fully paid for by special taxes collected by the CFD, shall be apportioned to the Member Agencies based upon the maximum special taxes levied in each Member Agency's jurisdiction.

16. WITHDRAWAL OF A MEMBER AGENCY FROM THE JOINT POWERS AUTHORITY

A Member Agency may withdraw from this Agreement by filing written notice of intention to do so with the Manager and Chair no later than 5:00 p.m. of the December 31st immediately preceding the commencement of the following fiscal year (July 1 - June 30). The Member Agency's withdrawal shall be effective at 11:59 p.m. on June 30th of the fiscal year in which the notice of intention was received. Withdrawal shall not relieve the Member Agency from any financial commitments associated with projects or programs that the withdrawing Member agreed to participate in prior to the effective date of the withdrawal. The withdrawal of any Member Agency shall not terminate this Agreement provided at least two (2) Member Agencies remain parties to the Agreement.

Withdrawal by a Member Agency shall not have any effect on the obligation to pay special taxes of any property in the jurisdiction of such Member Agency that has annexed into a CFD.

17. DISPOSITION OF ASSETS UPON WITHDRAWAL OF A MEMBER AGENCY

No Member Agency, by withdrawing, shall, except as may be agreed to by the Board, be entitled to payment or return of funds paid or property donated, if any, by the withdrawing Member Agency to the JPA or to any distribution of its assets.

18. TERMINATION; DISSOLUTION AND DISPOSITION OF ASSETS

This Agreement may be terminated and the JPA dissolved upon the consent of all Member Agencies then party to the JPA. Upon termination of this Agreement and dissolution of the JPA, JPA funds shall first be used to pay expenses, debts, liabilities and obligations of the JPA; and any remaining JPA funds shall be distributed to the Member Agencies in proportion to contributions made by the Member Agencies. The Board shall reasonably value any remaining property in accordance with generally accepted accounting principles. This JPA shall not dissolve as long as there are properties within the boundaries of a CFD that are obligated to pay

special taxes to maintain Off-Site GSI Projects unless the authority for governance of the CFD has been transferred by the JPA to another jurisdiction in accordance with the Mello-Roos Act.

19. CAPITAL ASSETS

Capital assets of Member Agencies may be transferred to the JPA according to the disposition rules of the Member Agencies.

20. CONTRIBUTIONS AND ADVANCES

Pursuant to Government Code Section 6504, the Member Agencies may in their discretion make financial contributions, loans or advances to the JPA for the purposes of the JPA set forth in this Agreement. The repayment of such contribution, loans or advances will be on the written terms agreed to by the Member Agency making the contribution, loan or advance and the JPA.

21. LIMITATIONS ON POWERS

As required by Government Code Section 6509, the power of the JPA is subject to the restrictions upon the manner of exercising power possessed by the City of San Pablo.

22. AMENDMENT

Any amendment to this Agreement must be in writing and approved by the governing bodies of all Member Agencies, provided, however, that no such amendment shall be entered into if the amendment would conflict with the provisions of any bonds (as defined in Government Code section 6585(c)), indenture, trust agreement, contract or other agreement securing or relating to any outstanding bonds of the JPA issued pursuant to state or federal laws. In addition, no amendment shall have any effect on the JPA's authority to levy or collect special taxes or pay such special taxes to maintain Off-Site GSI Projects unless the authority for governance of the CFD has been transferred by the JPA to another jurisdiction in accordance with the Mello-Roos Act.

23. NOTICE

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

24. SEVERABILITY

If a provision of the Agreement is found to be illegal or unenforceable, the validity of the remaining portions or provisions shall not be affected.

25. SUCCESSORS

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

26. ASSIGNMENT AND DELEGATION

No Member Agency may assign any rights or delegate any duties under this Agreement without the written consent of all other Member Agencies.

27. COUNTERPARTS

This Agreement may be executed in one (1) or more counterparts.

28. DISPUTE RESOLUTION.

The Member Agencies and the JPA shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Should any dispute among the Member Agencies arise out of this Agreement and should the Member Agencies be unable to resolve the dispute, the Member Agencies shall, at the written request of any Member Agency, meet in mediation and attempt in good faith to reach a resolution with the assistance of a mutually acceptable mediator. In the event that mediation does not result in the settlement of a dispute within 120 days after the demand for mediation is made, any Member Agency and the JPA may pursue any remedies provided by law.

29. INTEGRATION

This Agreement represents the full and entire Agreement among the Members.

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Joint Powers Authority set forth above.

[PARTY]

By: _____

Name: _____

Title: _____

Date: _____

Party: _____

[PARTY]

By: _____

Name: _____

Title: _____

Date: _____

Party: _____