

JOINT EXERCISE OF POWERS AGREEMENT

MONTEREY BAY AREA COOPERATIVE LIBRARY SYSTEM

WHEREAS, the following public agencies: The CITY OF SALINAS, the COUNTY OF MONTEREY, the CITY OF PACIFIC GROVE, the CITY OF CARMEL, the CITY OF MONTEREY, all of the State of California, and each of them, maintain and operate as a division of an agency of local government, a Public Library; and

WHEREAS, each of the public agencies provides the necessary public fund for the operation of the public libraries; and

WHEREAS, it has been found and determined that the Information Service Center in which the respective public library of each of the public agencies participated under a federal grant and was found to greatly enrich the services with a more extensive supply of library materials, thereby providing the additional benefit to all persons using the respective library facilities as the same are maintained by each of the public agencies; and

WHEREAS, The State of California has enacted the Public Library Services Act in order to encourage the development of public libraries throughout the State by grants to public library systems for the purposes of (A) Assisting them in establishing, improving and extending library services; and (B) Encouraging the establishment of library systems in areas where such cooperation would facilitate improved library service and at the same time preserve the benefits of local autonomy; and

WHEREAS, the public agencies are authorized to contract with each other for the joint exercise of any common power under Article 1, Chapter 5 Division 7, Title 1, of the Government Code of the State of California.

NOW, THEREFORE, THE FOLLOWING CONTRACTING public agencies: THE CITY OF SALINAS, the COUNTY OF MONTEREY, the CITY OF PACIFIC GROVE, the CITY OF CARMEL, the CITY OF MONTEREY and each of them for and in consideration of the mutual promises and agreements hereinafter stated and the performance thereof, and for other valuable and adequate consideration do hereby promise and agree for and on behalf of themselves and successors in interest as follows:

I

PURPOSE OF AGREEMENT, COMMON POWER TO BE EXERCISED

This agreement, made under the provisions of Article 1, Chapter 5, Division 7, Title 1, of the Government Code of the State of California, is for the purpose of providing for the creation and establishment of a Cooperative Library System to be known as the MONTEREY BAY AREA COOPERATIVE LIBRARY SYSTEM. The MOBAC Library System is created for the purpose of permitting each member agency to provide improved public library services to its residents through cooperative efforts designed to expand the capability of each public library, and in order to obtain the benefits of such a system as provided by law on such terms and conditions hereinafter follow:

II

FORMATION OF MOBAC LIBRARY SYSTEM

Pursuant to the provisions of the California Education Code, Section 27111 et seq. (Division 20, Chapter 1.5) the parties hereby form the MONTEREY BAY AREA COOPERATIVE LIBRARY SYSTEM, to be known also as the MOBAC Library System. Each of the public libraries operated by said parties shall be considered a "member library" of said system. The obligation and conditions that hereinafter follow are contingent upon the plan of library service being adopted by its member agencies.

III

ORGANIZATION  
THE EXECUTIVE COMMITTEE

To administer and execute this agreement, there is hereby constituted the MONTEREY BAY AREA COOPERATIVE LIBRARY SYSTEM EXECUTIVE COMMITTEE, hereinafter sometimes referred to as "EXECUTIVE COMMITTEE".

The Executive Committee may take, acquire, purchase, lease, hold, own, exchange, sell, convey, release and maintain such library materials, equipment, and personnel as may be deemed to be in the mutual interest of the parties hereto. The executive Committee shall do all acts necessary for the exercise of the expressed common power and for the purpose specified in Paragraphs I, II, and III hereof, subject only to such limitations and restrictions as may be set forth herein.

IV

EXECUTIVE COMMITTEE MEMBERS

The membership of the Executive Committee shall at all times be equal to the number of contracting entities becoming and remaining as a party hereto and consisting of the head librarians of the contracting public agencies. The Executive Committee shall elect one of its members President and he shall preside at all meetings. The term of President shall be one (1) year. The Executive Committee shall also elect a Secretary and a Treasurer. Each and every head librarian shall have the authority to appoint a substitute, with full voting rights, to attend Executive Committee meetings in the librarian's absence.

V

EXECUTIVE COMMITTEE MEETINGS

The Executive Committee shall fix the time and place for its meetings and shall hold at least one annual meeting. A special meeting may be called by the President, or upon written demand by two members of the Executive Committee, by delivering personally or by mail written notice to each Executive Committee member at least seventy-two (72) hours before the time of such meetings. The call and notice shall specify the time and place of the meeting and the business to be transacted.

The Executive Committee shall cause its Secretary to keep full and complete minutes of all meeting which shall be public documents and available for inspection at the office of the Secretary at all times.

No business may be transacted without the quorum of the members of the Executive Committee being present. A quorum shall consist of the majority of the members, and a vote of the Executive Committee present shall be required to transact business. The Executive Committee shall adopt appropriate rules, not inconsistent herewith, for the orderly transaction of its business.

VI

EXECUTIVE COMMITTEE EMPLOYEES

The Executive Committee shall have power to employ and engage and appoint person or persons as may be deemed necessary in carrying out the operations of the Cooperative Library System. Person or persons so engaged shall receive

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such compensation as may be fixed by the Executive Committee. None of the employees mentioned in this paragraph shall be deemed, by reason of their employment by the Executive Committee, to be employed by any of the contracting public agencies. Employees of any of the contracting public agencies, however, with the approval of the employee's appropriate supervisory agency, may be employed by the Executive Committee for the work of the Cooperative Library System.

VII

POWERS OF THE EXECUTIVE COMMITTEE

The Executive Committee shall have the following powers:

- a. Review the Plan of Service and after approval, refer it to the governing bodies of the member libraries;
- b. Review and adopt the budget for implementing the Plan of Service;
- c. With prior authorization from the governing bodies of the member libraries make application for such funds which may be available from the State of California (Public Library Services Act) and from the federal Library Services and Construction Act, or from any other available sources;
- d. Develop policies for allocating costs to member libraries;
- e. Adopt rules and procedures to assure compliance with the Plan of Service and the improvement of the library services for the system;
- f. Make or cause to be made continuing studies for improvement of library services by the system;
- g. Designate subcommittees and determine their composition as needed to carry forth the business of the system; appoint members of these subcommittees;
- h. Administer the Plan of Service of the System, assuring that funds are expended in accordance with the budget approved for implementing the Plan of Service;
- i. Approve the encumbrance of any funds and authorize the fiscal agent to contract for or purchase said services provided for in the budget;

JOINT EXERCISE OF POWERS AGREEMENT, CONT'D.

j. Review all invoices and forward all approved invoices to the fiscal agent for payment;

k. Ratify the appointment of the City of Salinas as the Fiscal Agent. (See Appendix A)

VIII

THE FISCAL AGENT

The Fiscal Agent shall be empowered to do the following:

a. Execute contracts for state and federal funds as authorized by the Executive Committee;

b. Accept the funds from the State Librarian (State Department of Education) as provided for in this contract;

c. Purchase or contract for the services and supplies approved by the Executive Committee;

d. Disburse the monies of the grant subject to the approval of the Executive Committee;

e. Maintain financial records and prepare for the system financial reports required by the Executive Committee and/or the State Librarian.

IX

PLAN OF SERVICE

The Executive Committee shall review and adopt the Plan of Service. The Plan of Service, after approval by the Executive Committee, shall be adopted by the legislature of each member agency before said system shall be operational.

The Plan of Service shall describe the specific purposes for which the system is formed and the means by which such purposes are to be accomplished. In addition to providing for meeting all requirements of State Law to quality for grants, the Plan of Service shall include provision for (1) uniformity and/or centralization of technical services (including ordering of books, cataloging and indexing, processing of books, transportation and distribution of books), and (2) local autonomy (on book selection, circulation, research and reference, and intercommunity relationships).

X

BUDGET AND RECORDS

The budget for the system shall be for a fiscal year commencing July 1 of each year and shall be approved by the Executive Committee on or before April 1, prior to the beginning of the said fiscal year. Exception may be made for the first budget year, since the state has established the month of September as the deadline filing date for applications for funds and anticipates announcement of approvals in January.

The budget for the system shall be sufficient in detail to outline the functions or activities to be performed by the parties and the basis for reimbursing for said functions or activities.

The budget shall also show the sources of revenue from State and Federal grants, from county general fund subventions and from member libraries. The budget shall not be considered finally adopted until all member libraries have approved the inclusion of revenue to finance the obligation of said budget.

Each party to this contract shall keep such records as are agreed upon by the Executive Committee.

XI

PAYMENT

It is hereby agreed that each party to this agreement shall be compensated for his costs for services provided pursuant to the budget. Costs shall be estimated in accordance with Section X above and Section XI. The estimate shall be used to determine the total costs recoverable by each party from the system. Where more than one party performs the same service, the lowest estimate of costs shall be used for reimbursing all parties performing the service. Cost estimates shall be submitted in detail for review and approval by the Executive Committee and included in the budget. For the purpose of this instrument, "costs" shall include but may not be limited to: salary costs and employee fringe benefits; operating expenditures and supplies; costs of depreciation of equipment; machinery, furnishings, and other tangible assets; buildings' occupancy costs and real property.

XII

GENERAL CONDITIONS

Each party to this agreement shall retain control of its own library, operate with its own budget, staff, bookstock, branches and stations. The term "books" in this agreement refers to all items in the library collections regardless of format, such as periodicals, serials, newspapers, pamphlets, government documents, maps, tapes, discs, films, pictures. Nothing in this agreement shall conflict with the provision in the Plan of Service that loans shall remain within the procedural framework of the lending library. None of these library agencies need lend a book or other library materials for home reading to a nonresident or through inter-library loan that does not circulate to residents.

XIII

ADDITIONAL PARTIES

Any agency providing library service may become a member of the System upon ratification of this contract and Plan of Service and with the approval of the Executive Committee. The addition of any party or parties to this agreement, in the manner described above, need not be ratified or approved by the existing parties to this agreement. Nothing in this paragraph shall prevent the Executive Committee from establishing special terms and conditions for libraries desiring to become members of the system.

XIV

WITHDRAWAL

Any party hereto, except the Fiscal Agent, may withdraw from the System by resolution of its governing body. Such withdrawal shall be made prior to April 1 of any year, and shall be effective as of July of the year withdrawal is made. The Fiscal Agent may withdraw from the system by resolution of its governing body. The notice of such withdrawal shall be made at least one year prior to the beginning of the fiscal year of withdrawal. If the debts and obligations of the system exceed its assets and anticipated income at the time of withdrawal, withdrawal may be effective only after payment by the withdrawing party of its proportionate share of the net debts and obligations of the system.

TERMINATION OF THE SYSTEM

This Agreement may be terminated by resolution of the governing board of a majority of the parties to this agreement at the time termination is voted. The decision to terminate must be made prior to April 1 of any year and shall become effective only on July 1 of the year termination is voted. Upon termination, any cash assets of the system shall be divided among the parties in a manner recommended by the Executive Committee and approved by the governing body. In the event the Executive Committee or the governing bodies cannot agree upon the division of assets, they shall be divided in proportion to the total funds allocated by parties to the system, and distributed to all such parties who have been members of the system.

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**MOBAC FISCAL AGENCY STATUS (1988)**

During 1982, MOBAC received a letter from the City of Salinas to terminate their role as Fiscal Agent by June, 1983.

As of January 1, 1983, the firm of Hanson Rotter became Fiscal Agent for MOBAC and their current duties include preparing the Annual Compliance Audit and Financial Accounting Services (Refer to Section V Part D for Current Letter of Understandings).

It was not necessary to revise the original Joint Exercise of Power Agreement that identifies the City of Salinas as MOBAC's Fiscal Agent.