



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 11/07/2023

ITEM NO: 14

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DATE: October 24, 2023  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Discuss and Provide Any Requested Modifications to the Proposed Joint Powers Agreement to Create the Cities Association of Santa Clara County Joint Powers Agency

**RECOMMENDATION:**

Discuss and provide any requested modifications to the proposed Joint Powers Agreement to create the Cities Association of Santa Clara County Joint Powers Agency.

**BACKGROUND:**

In 1990, the 15 cities and towns in Santa Clara County (member agencies) established the Cities Association of Santa Clara County (CASCC or Cities Association) to improve coordination and collaboration on issues that affected all participating communities, including but not limited to clean energy, housing, and economic development. The CASCC was also formed to consolidate and maintain the functions of a City Selection Committee for Santa Clara County and other coordinating bodies with elected officials from the same jurisdictions. In 2010, the CASCC adopted its bylaws. Currently, the CASCC is an unincorporated association.

In 2017, the CASCC began reviewing and considering the appropriate organizational structure for the CASCC to provide clarity regarding tax status, governmental immunities, and potential liability of the member agencies. One option was a 501(c)(4) nonprofit organization; however, the Board determined that a joint powers authority government structure aligned best with the goals and purpose of the CASCC. In August 2020, its Board of Directors unanimously voted to take the steps necessary to form a joint powers authority to provide a more formal structure for CASCC.

To form a joint powers authority (JPA), a Joint Powers Authority Agreement (Agreement) must be approved by the CASCC Board of Directors and then executed by each member agency that wishes to join the JPA. If approved, the new JPA would be called the Cities Association of Santa Clara County Joint Powers Agency.

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

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PAGE 2 OF 3

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DATE: October 24, 2023

BACKGROUND (continued):

In September 2023, the CASCC Board unanimously approved transmittal of the draft Agreement to the member agencies' City/Town Councils for their consideration prior to the CASCC Board meeting of November 9, 2023. Councilmember Rennie is Los Gatos' representative on the Cities Association Board.

Cities and towns throughout Santa Clara County are now considering the proposed Agreement. Some are likely to approve the Agreement as drafted, others are likely to request additional changes prior to approval, and at least two cities (Gilroy and Milpitas) have indicated that they will not be joining the JPA.

This agenda item provides the Town Council the opportunity to discuss the Agreement and provide any requests for modifications. Staff anticipates that there will be substantive changes to the Agreement after the potential participating cities have reviewed it. For this reason, the final Agreement will return to Council at a later date.

DISCUSSION:

The JPA Agreement (Attachment 1) restates the same purposes expressed for the original creation of the CASCC. Consistent with the Joint Exercise of Powers Act (Government Code section 6500 et seq.), the Agreement defines the power and authority of the JPA. To address concerns raised by member agencies, the JPA would be specifically prohibited from acquiring real property, levying taxes, hiring employees, or exercising any eminent domain power. The staff support for the JPA would occur through contracted services.

The CASCC Executive Board would be replaced by an Executive Committee. The Executive Committee may only take on those powers approved by the Agency's Board of Directors. For example, the Executive Committee is not permitted to authorize any investigations into the business of the JPA without the Board's approval.

Like the CASCC, the JPA would also be charged with administering the City Selection Committee (CSC), which is a state-mandated entity charged with making appointments to various regional and local boards and committees. Each city and town in Santa Clara County would continue to participate in the CSC even if the city or town is not a member of CASCC. Appointments to the local boards and committees would be based on majority votes of the city/town CSC representatives.

CONCLUSION AND NEXT STEPS:

The Los Gatos Town Council should discuss the proposed Agreement and provide any comments. If the Town Council has proposed modifications to the Agreement, the Town

PAGE 3 OF 3

SUBJECT: Discuss the Proposed Joint Powers Agreement to Create the Cities Association of Santa Clara County Joint Powers Agency.

DATE: October 24, 2023

CONCLUSION AND NEXT STEPS (continued):

Manager would transmit the requested modifications to the CASCC Board for consideration at its November 9, 2023 meeting.

It is likely that the CASCC Board will be considering substantive changes to the Agreement at its November meeting. For this reason, the Town Council will be asked to approve the final version of the Agreement after the CASCC Board has concluded its work.

If the JPA is formed, one of the next steps is for the Board to update the existing bylaws. In conjunction with the future bylaws for the JPA, the CASCC plans to prepare a personnel policy handbook which would include policies that apply to the organization's independent contractors and Board members.

COORDINATION:

The preparation of this report was coordinated with the Town Attorney. In addition, the City Managers and City Attorneys in Santa Clara County reviewed the draft Agreement and provided comments to the Cities Association and its legal team. The Cities Association contract staff represented that those comments have been addressed in the draft Agreement (Attachment 1).

FISCAL IMPACT:

As has been the case for many years, the dues structure is based on the size of each member agency and the Board has expressed a desire not to increase the membership dues for next fiscal year. In the event not all 15 cities join the JPA, the proposed budget would preserve the same dues, and the Board would need to identify cost savings to arrive at a balanced budget.

Contract staff are talking about requesting a Consumer Price Index adjustment for dues in future years; however, the Board has not considered this proposal.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Proposed Joint Powers Agreement with the Cities Association