

**JOINT EXERCISE OF POWERS AGREEMENT TO ESTABLISH THE MALIBU USD  
TRANSITION AND IMPLEMENTATION JOINT POWERS AUTHORITY**

THIS JOINT POWERS AGREEMENT (“Agreement”) is between the Malibu Unified School District (“MUSD”), and Santa Monica Unified School District (“SMUSD”) and is effective as of the Effective Date defined below.

The MUSD and the SMUSD are public school districts duly organized and existing under the constitution and laws of the State of California (“State” of “California”).

Each entity executing this Agreement shall individually be referred to as a “Member” or collectively referred to as “Members.”

**A. RECITALS**

WHEREAS, it is to the mutual benefit of the Members and in the best public interest of said Members to join together to establish this Joint Powers Authority (“JPA”) to accomplish the purposes hereinafter set forth; and

WHEREAS, the Members are each empowered, pursuant to the Joint Exercise of Powers Act (California Government Code section 6500 et seq., hereinafter the “Act”), to execute agreements with other public agencies to jointly exercise powers commonly held by each of the contracting public agencies and other powers applicable to joint powers agencies by law; and

WHEREAS, each of the Members has the power necessary to accomplish the purposes of this Agreement and the foregoing purposes will be accomplished and the common powers exercised in the matter hereinafter set forth; and

WHEREAS, each Member has participated in the negotiation of a Property Tax Revenue Sharing Agreement (“PTRSA”) and Operational Transfer Agreement (“OTA”), the purposes of which are to facilitate the creation, operation and financing of an independent MUSD and a separate SMUSD; and

WHEREAS, the Members agree that it would be mutually beneficial to create a separate public entity pursuant to the provisions of the Act entitled “Malibu USD Transition and Implementation JPA to provide a coordinated approach that reflects the Members’ guiding principles: (1) that the formation of an independent MUSD is in the best interest of all students and (2) that the Members are dedicated to ensuring that MUSD and SMUSD both receive adequate funding to provide a similar level of service as before separation; and

WHEREAS, the Members believe that the formation of the JPA will enable a seamless transition, formation and operation of MUSD and SMUSD and to provide an enhanced opportunity for students and residents within the Members’ boundaries that each Member would not be able to provide as effectively on its own.

NOW, THEREFORE, for and in consideration of the mutual advantages to be derived therefrom, and in consideration of the executing of this Agreement by Members, each of the Members does hereby agree as follows:

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**ARTICLE I**

**Section 1: Definition of Terms**

In addition to the terms defined herein, the following terms shall have the meanings specified.

1.1 “Act” means the Joint Exercise of Powers Act of the State of California, California Government Code section 6500 et.seq., as it exists now or may be amended.

1.2 “Agreement” means this Joint Exercise of Powers Agreement to Establish the Malibu USD Transition and Implementation JPA as the same now exists, or as it may, from time to time, be amended.

1.3 “JPA” means the joint powers agency, known as the Malibu USD Transition and Implementation Joint Powers Authority, created by this Agreement.

1.4 “JPA Directors” means the governing body of the JPA.

1.5 “Brown Act” means the Ralph M. Brown Act (commencing with California Government Code section 54950).

1.6 “MUSD” means the Malibu Unified School District

1.7 “Director” means a member of the JPA Directors appointed pursuant to Section 5 of this Agreement.

1.8 “Effective Date” means the date the last Member signs this Agreement.

1.9 “Fiscal Year” means the period commencing on July 1 to and including the following June 30.

1.10 “General and Administrative Costs” means costs directly associated with administration of the JPA.

1.11 “JAMS” means Judicial Arbitration and Mediation Services, a provider of dispute resolution services.

1.12 “Member” or “Member Agency” means each party to this Agreement (SMUSD and MUSD) and other members as may be admitted in the future.

1.13 “Operational Transfer Agreement”, or “OTA”, means the agreement of the same name entered into by and between the Santa Monica-Malibu Unified School District and City of Malibu on or about \_\_\_\_\_, \_\_\_\_, 2025.

1.14 “Property Tax Revenue Sharing Agreement”, or “PTRSA”, means the agreement of the same name entered into by and between the Santa Monica-Malibu Unified School District and City of Malibu, on or about \_\_\_\_\_, \_\_\_\_, 2025.

1.15 “SMUSD” means the Santa Monica Unified School District.

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Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa, and the words importing persons shall include corporations and associations, including public bodies and natural persons.

**ARTICLE II**

**Section 2: Purpose and Formation**

2.1 The Members, all acting by and through their respective governing boards, have created the JPA for the purpose of exercising the common powers of the Members to jointly and continuously assist in (a) effectuating the transfer of property tax revenues from MUSD to SMUSD (b) participating in the dispute resolution process under the PTRSA at Section 14 or OTA at Section 13 and 14, and (c) making non-binding recommendations to MUSD and/or SMUSD as to whether and how to modify revenue sharing under the PTRSA the process for which is set forth in Section 13 of the PTRSA.

2.2 Pursuant to section 6507 of the Act, there is hereby created a public entity known as the “Malibu USD Transition and Implementation Joint Powers Authority”. The JPA is a public entity separate from the Member Agencies and possesses the full authority for the purposes of exercising the common powers of the Members relating to the purposes and powers set forth herein.

**Section 3: Term**

3.1 This Agreement shall become effective and binding upon the Members as of the Effective Date. If the JPA has no outstanding debts or liabilities, this Agreement shall terminate on the date the PTRSA expires, or earlier in a writing signed by all Members.

3.2 This Agreement shall automatically terminate on December 31, 2027, if by that date, the unification of the MUSD has not taken effect, although the Members can agree to extend the Agreement up to another three years but not beyond December 31, 2030. However, the Agreement shall not automatically terminate on December 31, 2030, if by that date an election has been called on the proposal for reorganization of SMUSD and formation of MUSD and SMUSD, but that election has not yet taken place. In that event, the Agreement shall automatically terminate if voters reject the proposal for unification of the MUSD.

3.3 If the JPA has no outstanding debts, or liabilities, this Agreement may be voluntarily terminated upon the written consent of all the Members.

**Section 4: Members**

4.1 The JPA shall be composed of the following Members: MUSD and SMUSD.

4.2 Additional parties may be added to this Agreement by written amendment among all the current members. Members may also be removed or substituted by written amendment among all the then current members.

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4.3 This Agreement shall be binding upon all and shall inure to the benefit of the successors of the Members. If a Member is reorganized under the Education Code, its obligations under this Agreement shall become the obligations of its successor(s) under Education Code sections 35560 and 35736, and the surviving school district(s) shall be substituted as a Member to this Agreement automatically upon its formation.

**ARTICLE III**

**Section 5: JPA Directors**

5.1 The JPA shall be governed by seven JPA Directors. The JPA Directors shall administer the JPA. The JPA Directors may exercise, and shall be vested with, all powers of the JPA, as set forth herein, insofar as such is not inconsistent with law or the terms of this Agreement.

5.2 The JPA Directors shall consist of three (3) Directors appointed by SMUSD which shall not concurrently serve as SMUSD board members, and three (3) Directors appointed by MUSD which Directors shall not concurrently serve as MUSD board members, and one (1) Director jointly appointed by SMUSD and MUSD in accordance with Section 5.5 herein below. All Directors must have demonstrable experience in public education finance, and/or public agency governance/administration. This requirement may be met by possessing a post-graduate degree in finance, business administration, or at least seven (7) years of actual paid work experience in such fields. No Director may be appointed or continue to serve on the JPA who has been convicted of financial malfeasance.

5.3 Within sixty (60) days after official formation of the MUSD, each Member Agency shall designate and appoint, by a formal action of its governing body, three (3) qualified individuals to act as its JPA Directors (the "Director Appointment Date").

5.4 The Directors will serve at the pleasure of the appointing Member Agency and may be removed or replaced at any time, with or without cause, in the sole discretion of the appointing Member Agency's governing body.

5.5 Within thirty (30) days of the Director Appointment Date, MUSD and SMUSD shall jointly approve the appointment of a seventh (7th) Director. The seventh Director shall serve a term of three (3) years unless removed earlier. Thereafter, the seventh Director may, but is not required to be, reappointed for subsequent three (3) year terms by a majority vote. The seventh Director should not be a past or current employee or council member of the City of Malibu or past or current board member of the Santa Monica-Malibu Unified School District. In the event the Members are unable to agree on the appointment of a seventh (7th) Member, the Members shall each propose a list of three (3) individuals for such appointment (the "List") and the List will be submitted to an outside, third-party mediator with no affiliation or ties to either Member or the individuals on the List. The mediator will review the qualifications of the six (6) individuals on the List (or fewer if a Member provides less than three (3) individuals, and shall, with or without conducting interviews of any of the individuals on the List, select the seventh (7th) member) within 15 calendar days of receipt of the List. The cost of the mediator shall be borne equally by the Members. Should the Parties be unable to agree on a mediator, the Parties shall submit a request to JAMS Los Angeles for the appointment of a mediator. JAMS' selection shall be final.

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5.6 Directors shall be entitled to compensation for their attendance at regular and special meetings in the amount of \$100 per meeting. The Authority may, by bylaw or resolution, authorize compensation, stipends, or reimbursement of expenses for Directors in connection with their service to the Authority. Any such compensation or reimbursement shall be established and made in accordance with the limits of relevant law, including but not limited to Government Code sections 53232 et seq. Each Director will be reimbursed for reasonable and necessary expenses actually incurred in the conduct of the business, pursuant to an expense reimbursement policy established by the JPA in accordance with applicable statutory requirements.

5.7 The JPA Directors shall have the following officers: Chair; Vice-Chair; and Secretary. Each officer shall be elected from among its directors.

5.7.1 The Chair and Vice-Chair must be appointees of different Member Agencies and shall alternate between Member Agencies in alternating years. (Example: In Year 1, one of SMUSD's appointees will be the Chair and one of MUSD's appointees will be the Vice-Chair; the opposite will be true in Year 2).

5.7.2 The Chair and the Vice-Chair may be removed and replaced by a majority vote of the JPA Directors.

5.7.3 If any Director position shall become vacant, the resulting vacancy will be filled, for the remainder of the vacant term, at the next meeting of the JPA Directors held after each vacancy occurs and before any JPA business is acted upon. If the vacancy is of a Director position appointed by SMUSD, then only a Member appointed by SMUSD will be able to fill that vacancy. Similarly, if the vacancy is of a Director position appointed by MUSD, then only a Member appointed by MUSD will be able to fill that vacancy. If the vacancy is of the seventh (7th) mutually- appointed Member, then the Members will follow the same process to appoint a new seventh (7th) Member as was followed for the original appointment, including, if applicable, the provisions of Section 5.5.

5.7.4 The Chair will preside over all meetings of the JPA Directors and will sign all contracts on behalf of the JPA, except contracts that the JPA Directors may authorize an officer or agent of the JPA to sign.

5.7.5 The Vice-Chair will act, sign contracts, and perform all of the Chair's duties in the absence of the Chair.

5.7.6 The Secretary shall be responsible for maintaining the official records of the JPA including the minutes and other records of the proceedings of the JPA Directors, and shall perform such other duties as specified by the JPA Directors.

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5.8 The JPA Directors may create permanent or ad hoc committees to give advice to the JPA Directors on matters of interest to the JPA, to be conducted in accordance with the Ralph M. Brown Act and all other applicable laws.

5.9 All voting power of the JPA will reside in the JPA Directors. Directors may not cast proxy or absentee votes. Each Director will have an equal vote.

5.9.1 The following matters require at least four (4) affirmative votes for approval:

- (a) Amendment of this Agreement which must also be approved by both Members' governing bodies;
- (b) Dissolution of the JPA which must also be approved by the majority of both Members' governing bodies;
- (c) Approval of the JPA to take on debt;
- (d) The creation of positions of employment for the JPA;
- (e) Approval of any employee benefit issuance or change;
- (f) The approval of the Property Tax Transfer Amount; and
- (g) The hiring of staff and/or consultants for the purposes of performing tasks on behalf of the JPA.

5.10 The JPA Directors may adopt from time to time such bylaws, rules, and regulations for the conduct of meetings of the JPA Directors and the affairs of the JPA, which shall be consistent with this Agreement and applicable law.

5.11 The Treasurer of the JPA shall be appointed by a majority vote of the Directors and shall be either the director of finance or the chief business officer of one of the Member Agencies or other financial professional with relevant experience. The Treasurer of the JPA shall receive and have custody of and disburse JPA funds in accordance with applicable law and JPA bylaws and/or policies. The Treasurer shall have all other powers, duties, and responsibilities of such office, including performing the auditor functions of the JPA, as specified in Government Code section 6505.5.

5.12 Any documents signed on behalf of the JPA shall require the signatures of two (2) Directors, one from each Member Agency, for financial disbursements in excess of \$100,000.

**Section 6: JPA Director Meetings**

6.1 All meetings of the JPA Directors shall be called, noticed, held, and conducted in accordance with the provisions of the Brown Act.

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6.2 The JPA Directors shall schedule regular monthly meetings. The JPA Directors shall establish the date, time, and place of its regular meetings at its first meeting by resolution. The JPA Directors may suspend the holding of regular meetings by resolution, so long as there is no need for JPA business. The JPA Directors must provide a copy of any resolution establishing or changing the date, time, or place of any JPA Directors meeting to each Member. The JPA Directors shall hold its first meeting within sixty (60) days after the JPA Directors Appointment Date.

6.3 The presence of four Directors is required to establish a quorum. The affirmative vote of four directors is required to pass any motion, resolution, or ordinance, except for the appointment of a Director to fill a vacancy in the mutually appointed seventh (7th) Director position which appointment shall be made in accordance with Section 5.5 or the appointment of a Member to fill a vacancy in accordance with Section 5.2.

6.4 The JPA Directors shall cause to be kept minutes of their meetings, both regular and special, and shall, as soon as possible after each meeting, cause a draft of the minutes to be forwarded to each Director. After the minutes are approved at a JPA Director meeting, the approved minutes should be forwarded to each Member Agency.

6.5 Closed sessions of the JPA Directors shall be confidential. However, confidential information from closed sessions may be disclosed to each Member's governing body as permitted and limited by Government Code Section 54956.96. The JPA Directors may include provisions in the JPA Bylaws to implement this Section.

**Section 7: Boundaries**

7.1 The boundaries of the JPA will be coterminous with the boundaries of its Member Agencies.

**Section 8: Powers of JPA**

8.1 The JPA will exercise the powers which are common to each Member Agency, or as otherwise permitted under the Act, and all incidental, implied, express, or necessary powers to accomplish the purposes of this Agreement.

8.2 The JPA is authorized to perform all acts necessary for the exercise of the powers described above, as allowed by law, including but not limited to any or all of the following:

8.2.1 to make and enter into contracts;

8.2.2 to hire consultants and employees;

8.2.3 to sue or be sued in its own name;

8.2.4 to incur debts, liabilities, or obligations, subject to limitations herein set forth; to develop and adopt policies and procedures for the conduct of the business of the JPA;

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8.2.5 to carry out and enforce all provisions of this Agreement necessary to effectuate the Purpose of this Agreement and conduct other such activities as are necessary and appropriate to the above;

8.2.6 to take the actions set forth in the PTRSA, as found in Exhibit B, when the conditions for such actions arise, including but not limited to the following actions:

- (a) Contact the Los Angeles County Assessor and request a report which identifies the assessed valuations for the territory subject to jurisdictional change and the related tax rate areas;
- (b) Contact the Los Angeles County Auditor-Controller and request a report which identifies property tax revenue generated within the territory subject to jurisdictional change, as well as the proportion of revenue attributable to either MUSD or SMUSD;
- (c) Complete calculations to determine Property Tax Transfer Amounts, including specifically:
  - i. the Base Year Property Tax Transfer Amount (completed immediately after the Separation Date),
  - ii. The Annual Property Tax Transfer Amount (completed each subsequent year by October 15 on the Annual Calculation Date), and
  - iii. True-up the Base Year Property Tax Transfer Calculation and subsequent Annual Property Tax;
  - iv. Transfer Calculation using actual certified CALPADS amounts.
- (d) Determine adjustments, if any, that can be made to the Property Tax Transfer Amount, including changes to how the Property Tax Transfer Amount is calculated, if there is a Significant Variance or Significant Change in Per Pupil Funding as set forth in the PTRSA. Any such adjustment recommendations shall follow the guiding principles: (1) that the formation of an independent MUSD is in the best interest of all students and (2) that the Members are dedicated to ensuring that MUSD and SMUSD both receive adequate funding to provide a similar level of service as before separation. Any adjustments made by the JPA to the Property Tax Transfer calculation shall be made on a case-by-case basis and only for the period deemed necessary by

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the JPA at the time. The JPA shall notify the Member agencies of any such adjustments prior to 9.2.7(g).

- (e) To the extent that the JPA determines any deferral of the Property Tax Transfer Amount is recommended, interest shall accrue monthly on the amount of the deferral at the Los Angeles County Pooled Surplus Investments Portfolio Earnings Rate as published in the Los Angeles County Treasurer's Report of Investments. Interest shall be compounded and computed on all sums owed to SMUSD through full repayment.
- (f) Engage and pay for an independent financial/accounting professional for the purpose of comparing previous years' calculations with the current year calculations.
- (g) Provide yearly Property Tax Transfer Amounts to the LA County Auditor-Controller for reallocation from MUSD to SMUSD.

8.2.7 to take the actions set forth in the OTA.

8.2.8 to participate in the dispute resolution process between the MUSD and SMUSD arising from the PTRSA and/or OTA in accordance with the dispute resolution procedures in each such agreements.

8.3 Pursuant to Government Code section 6509, the powers of the JPA will be exercised subject to the restrictions upon the manner of exercising such powers as are imposed upon the MUSD or SMUSD.

8.4 The JPA shall not permanently modify the PTRSA or the OTA without the approval and ratification of the MUSD and SMUSD.

**Section 9: Initial Funding and Annual Budget**

9.1 An operating fund, known as the "JPA Fund" shall be established by the JPA and maintained by the Treasurer and shall be used to pay the JPA operating expenses, including but not limited to, any contracts to retain consultants and costs to defend the JPA pursuant to Section 12. The JPA Fund shall be funded initially within sixty (60) days of JPA formation and thereafter, annual contributions from each Member Agency on or before October 1st, pursuant to Sections 9.2 and 9.3 respectively.

9.2 Will be initially funded by a joint contribution of the MUSD and SMUSD in an amount to be determined by the JPA Directors within sixty (60) days after the Director Appointment Date, not to exceed \$50,000.

9.3 Contributions to the JPA Fund shall be made annually by each Member in the amounts sufficient to provide the funds necessary to carry out the functions of the JPA, with

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the exception of costs as described below in Section 11. MUSD and SMUSD shall contribute equally to the funds necessary to carry out the functions of the JPA.

9.4 For each fiscal year, the JPA Directors shall adopt a budget by April 1st prior to the start of the fiscal year. The JPA Directors may not adopt a budget in excess of \$100,000 without written consent of the Member Agencies.

9.5 At least fifteen (15) days prior to adopting its budget, the JPA Directors shall notify each Member Agency of the amount of its annual required contribution based on the proposed budget and calculated pursuant to Section 9.3.

9.6 Within fifteen (15) days after the beginning of each Fiscal Year, the Members shall provide the required contribution to the JPA Fund.

9.7 The JPA Directors may not authorize expenditures in excess of the adopted budget from the JPA Fund without approval of the Member Agencies.

9.8 The Treasurer shall establish and maintain the JPA Fund as may be required by generally accepted accounting principles and provide for strict accountability of all funds and report of all receipts and disbursements as provided in Government Code section 6505. The books and records of the JPA shall be open to inspection at all reasonable times by the Members and their duly authorized representatives.

9.9 If the JPA is terminated, all assets of the JPA not required to satisfy any outstanding debts, including but not limited to the JPA Fund, shall be returned to the Member Agencies in the proportion in which they were contributed pursuant to Section 9.3.

**Section 10: Insurance**

10.1 The JPA shall obtain insurance policies as may be required to protect the JPA or its Member Agencies as determined by the JPA Directors. If applicable, the JPA shall name each Member Agency and their officers, Directors, employees and consultants as additional insureds under all such policies.

**Section 11: Liability, Indemnification, and Defense**

11.1 To the full extent authorized by Government Code section 6508.1, the debts, liabilities, and obligations, whether contractual or non-contractual, of the JPA, except retirement liabilities if the JPA contracts with a public retirement system, will be the debts, liabilities, and obligations of the JPA alone, and not the debts, liabilities, or obligations of the Members or their Member Entities.

11.2 The Members do not intend to be obligated either jointly or severally for the debts, liabilities, or obligations of the JPA, except as may be specifically provided for in Government Code section 895.2, as amended or supplemented.

11.3 Pursuant to Government Code section 895.4, (i) in the event the Members are held liable for the acts or omissions of the JPA caused by a negligent or wrongful act or

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omission occurring in the performance of this Agreement; or (ii) in the case of any other liability incurred by the JPA during the course of its existence, then with respect to (i) or (ii), the Members shall discharge any such liability first, from insurance proceeds if applicable, next, from the JPA funds, and if such insurance and funds are insufficient, from SMUSD and MUSD in equal amounts.

11.4 Each Member Agency shall indemnify, defend, and hold harmless the other Member Agency from any such liability in excess of its proportionate share.

11.5 Notwithstanding Section 11.3 above, each Member Agency, including any and all successor entities, is solely liable for any claims, suits, and liability, including payment of any judgment and attorneys' fees and costs, caused solely by that Member and/or its governing board and members thereof, officers, employees, or agents except when a Member or its officers, employees, or agents are acting on behalf of the JPA or the Agency and each Member Agency shall indemnify, defend and hold harmless the other for any damages caused by any gross negligence or willful misconduct of its appointed Members..

**Section 12: Dispute Resolution**

12.1 If a dispute arises as to the construction, interpretation or implementation of any portion of this Agreement or any matters that arise in connection with this Agreement, the Members in dispute (including the JPA if the dispute is between one or more Members and the JPA, in which case the JPA Directors shall determine who will represent the JPA in the meet and confer and mediation processes) shall meet and confer in person in an attempt to resolve the dispute within thirty (30) days of a Member or the JPA giving the other Members or the JPA notice of the dispute. If the Members or the JPA cannot resolve the dispute through that meet and confer process, the Members or the JPA in dispute shall proceed to non-binding mediation of the dispute in front of an independent, neutral mediator agreed to by those Members or the JPA within ten (10) calendar days of the meet and confer meeting, unless each Member and/or JPA all agree to waive such non-binding mediation. If the Members or the JPA in dispute cannot agree upon a mediator within twenty (20) days of the meet and confer meeting, or sooner if the mediation is not held, the dispute shall be submitted to JAMS Los Angeles for selection of a mediator within thirty (30) days of submitting the matter to JAMS. The Members of the JPA shall each pay an equal share of the costs of the mediation. If mediation fails to result in a resolution, the matter may then be submitted to JAMS Los Angeles for binding arbitration which shall be conducted utilizing JAMS ADR rules. The costs of the arbitration shall be borne equally by each Member and/or JPA.

12.2 Nothing in this Agreement, however, shall be construed as making final the decision of any Independent Arbiter on a question of law, which shall be settled in accordance with the laws of the State of California.

12.3 The JPA is hereby authorized to take any or all legal or equitable actions necessary or permitted by law to enforce this Agreement.

12.4 If the JPA or any Member shall breach any term, covenant, or condition contained in this Agreement, such party shall be deemed to be in default under this Agreement, and the non-defaulting party (parties) shall each have the right to enforce all of its rights and

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remedies regarding such default which are provided under State or federal laws, but must adhere to the Dispute Resolution Process of this Section 12.

**Section 13: Termination, Disposition of Assets, Rescission or Termination**

13.1 This Agreement may be rescinded and the JPA terminated by written consent of all Member Agencies. The Parties shall cooperate in all necessary actions to wind down the operations of the JPA.

**Section 14: Amendments**

14.1 This Agreement may be amended upon approval of all Member Agencies.

**Section 15: Notices**

15.1 Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally, by registered or certified mail, postage prepaid, by nationally-recognized overnight courier, or by e-mail to the respective Members, at the addresses provided in Exhibit A attached. With respect to delivery by e-mail, any such e-mail message shall be sent using a system that provides reasonable assurance: (i) that the message was sent; (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient, along with a verifiable electronic record of the exact content of the message sent. The Members may from time to time change the address to which notice may be provided by providing notice of the change to the other Members.

**Section 16: Filing of Notice of Agreement**

16.1 Within 30 days after this Agreement becomes effective, the JPA shall file with the Secretary of State the notice of Agreement required by Government Code section 6503.5.

16.2 Within 30 days after this Agreement becomes effective, the JPA shall file with the State Controller the notice of Agreement required by Government Code section 6503.6.

16.3 Within 70 days after this Agreement becomes effective, the JPA shall file with the Secretary of State and the County Clerk of the County of Los Angeles the notice required by Government Code section 53051.

**Section 17: Conflict of Interest**

17.1 If allowable by then applicable law, the JPA may waive any conflict of interest as to representation by counsel if that conflict arises or may arise in connection with counsel's representation of one of the Members. The JPA shall, by resolution, adopt a conflict of interest code to the extent permitted and/or required by law.

**Section 18: General Provisions**

18.1 Cooperation. The Members recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement.

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18.2 Successors; Assignment. Except as provided herein, a member may not assign its membership in the JPA without the consent of all of the other Members. This Agreement will be binding upon and inure to the benefit of any successor of a Member.

18.3 Severability. Should any part, term, or provision of this Agreement be determined by a final judgment of a court to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions will not be affected thereby.

18.4 Governing Law; Jurisdiction. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of California, without giving effect to conflict of law provisions. Any lawsuits between the parties arising out of this Agreement will be brought and concluded in the State of California, in the County of Los Angeles, unless otherwise agreed to by the parties to the dispute or pursuant to California Code of Civil Procedure Section 394.

18.5 Joint Drafting. All Members participated in the drafting of this Agreement and the Agreement will not be construed against any Member as the drafter.

18.6 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

18.7 Third Party Beneficiaries. This Agreement will not create any right or interest in any non-party or in any member of the public as a third party beneficiary.

18.8 Integration. This Agreement represents the full and entire Agreement among the Members with respect to the matters covered herein.

18.9 Execution. The legislative bodies of the Members each have authorized execution of this Agreement, as evidenced by the signatures attested below.

18.10 Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referenced to or to define or limit the scope of any provision of this Agreement.

18.11 Attorneys' Fees. If any legal action or proceeding is brought to enforce or interpret this Agreement, not including the Dispute Resolution described in Section 12, each Party shall bear their own attorneys' fees, excluding any such fees and costs as may be incurred in enforcing any judgment or order entered in any such action in which case the Party enforcing the judgment or order may recover their reasonable attorneys' fees and costs in such enforcement.

18.12 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, signed and dated by the Parties.

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18.13 Representation by Counsel. The Parties acknowledge and agree that they were, or had the opportunity to be, represented individually by legal counsel with respect to the matters that are the subject of this Agreement and that they are fully advised with respect to their respective rights and obligations resulting from signing this Agreement.

18.14 No Assignment. Except as required by Section 4.3 of this Agreement, neither Party may assign this Agreement in whole or in part without the consent of the other.

18.15 Entire Agreement. The Agreement constitutes the entire agreement and understanding between the Members and is a complete and exclusive statement of the terms of the Members' agreement regarding the subject matter hereof pursuant to California Code of Civil Procedure section 1856.

**[SIGNATURES ON THE FOLLOWING PAGE]**

JOINT EXERCISE OF POWERS AGREEMENT TO ESTABLISH THE  
MALIBU USD TRANSITION AND IMPLEMENTATION JOINT POWERS AUTHORITY

IN WITNESS WHEREOF, the Members have caused this Joint Exercise of Powers Agreement to be executed by their duly authorized officers on the date and year set forth below.

**SANTA MONICA-MALIBU UNIFIED  
SCHOOL DISTRICT**

By: \_\_\_\_\_  
Dr. Antonio Shelton, Superintendent

Approved As To Form:

**ATKINSON, ANDELSON, LOYA, RUUD &  
ROMO**

By: \_\_\_\_\_  
David Soldani, Shareholder

**CITY OF MALIBU**

By: \_\_\_\_\_  
Candace Bond, Interim City Manager

Approved As To Form:

**BEST BEST & KRIEGER LLP**

By: \_\_\_\_\_  
Christine Wood, Partner