

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal

Dept: David R. Barlag

Dept: City Manager

From: Fire

Subject: APPROVAL OF THE FIRST AMENDMENT TO THE Date: May 14, 2013
AMENDED AND RESTATED NORTH NET JOINT
POWERS TRAINING AGREEMENT

OBJECTIVE

To request that the City Council approve the First Amendment to the North Net Amended and Restated Agreement (Agreement), and to authorize the Mayor to execute the Agreement on behalf of the City.

BACKGROUND

In 1976 the cities of Anaheim, Garden Grove, and Orange formed the North Net Joint Powers Authority (North Net) to provide fire training to their respective fire departments in a cost-effective manner. North Net operated out of the Training Center located at 2400 E. Orangewood Avenue, Anaheim. North Net is governed by the Amended and Restated North Net Joint Powers Agreement (JPA Agreement) that was approved by each member's City Council in 2012. The Board of Directors of North Net is comprised of a representative from each member's City Council.

DISCUSSION

The proposed First Amendment to the JPA Agreement (First Amendment) would designate the Finance Director for the City of Anaheim as the Treasurer for North Net. Currently the Treasurer of the City of Anaheim is designated as the Treasurer for North Net. The three Fire Chiefs of the respective agencies recently proposed to the Board of Directors of North Net to appoint Anaheim's Finance Director as Treasurer to better coordinate North Net's expenditures with the City of Anaheim's financial system. This will allow North Net's Management to more efficiently monitor actual North Net expenditures against the North Net budget. Currently Management has to manually merge accounting information from two separate systems in order to properly evaluate expenditures at any given point in time. Under the direction of the Finance Director, all revenues and expenditures will be incorporated into one system, thereby allowing management to run standard reports and perform queries within a single financial system. The Board, by a 3-0 vote, recommended that the First Amendment be approved and, pursuant to the JPA Agreement, be forwarded to each member's City Council for consideration.

APPROVAL OF THE FIRST AMENDMENT TO THE
AMENDED AND RESTATED NORTH NET JOINT POWERS
TRAINING AGREEMENT
May 14, 2013
Page 2

Government Code section 6505.1 provides that the parties to a joint powers agreement must designate an officer to have charge of the property of the joint powers agency; and section 6505.6 permits the North Net Board to appoint an officer of one of the cities as Treasurer and to require such person to file an official bond. The City of Anaheim has a \$10 million policy covering the faith performance of the Finance Director and will add North Net as additionally insured to comply with the bonding requirement. The Treasurer is required to keep the revenues of North Net in a separate account, and, if available, an interest bearing account. Section 6505.6 requires that an independent audit be made by a certified public accountant. The JPA Agreement provides for the appointment by the Board of a certified public accountant to perform the annual audit.

FINANCIAL IMPACT

None.

RECOMMENDATION

It is recommended that the City Council:

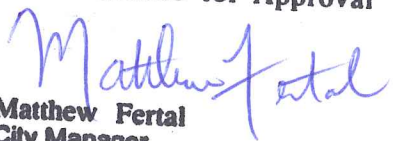
- Approve the First Amendment to the Amended and Restated North Net Joint Powers Training Agreement; and
- Authorize the mayor to execute the Agreement on behalf of the City.



DAVID R. BARLAG
Fire Chief

Attachment: Agreement

Recommended for Approval



Matthew Feral
City Manager

**FIRST AMENDMENT TO AMENDED AND RESTATED
NORTH NET JOINT POWERS TRAINING AGREEMENT**

This First Amendment to Amended and Restated North Net Joint Powers Agreement (hereafter, "First Amendment") is entered into to be effective this 1st day of June, 2013, by and between the following public entities (collectively, the "Parties"):

- A. City of Anaheim
- B. City of Garden Grove
- C. City of Orange

RECITALS

A. The Parties entered into the Amended and Restated North Net Joint Powers Agreement dated November 1, 2012 (hereafter, the "Original Agreement").

B. The Parties desire to amend the Original Agreement to designate the Finance Director of the City of Anaheim as the Treasurer for the North Net Joint Powers Authority.

Now, therefore, the Parties agree as follows:

Section 1. **Defined Terms.** Except as otherwise defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

Section 2. **Designation of Treasurer.** Section 3.9 of the Original Agreement is amended to provide that the Finance Director of the City of Anaheim shall hold the office of treasurer and auditor in accordance with Government Code Section 6506.6 and shall perform the duties as authorized in Section 6505 et seq. of the Government Code.

Section 4. **Integration.** This First Amendment amends, as set forth herein, the Original Agreement and, except as specifically amended hereby, the Original Agreement shall remain in full force and effect. To the extent that there is any conflict or inconsistency between the terms and provisions of this First Amendment and the terms and provisions of the Original Agreement, the terms and provisions of this First Amendment shall control and govern the rights and obligations of the Parties.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be executed by their duly authorized officers as of the date first stated above.

Dated: _____

CITY OF ANAHEIM

By: _____
MAYOR

ATTEST:

APPROVED AS TO FORM:

By: _____
CITY CLERK

By: _____
CITY ATTORNEY

Dated: _____

CITY OF GARDEN GROVE

By: _____
MAYOR

ATTEST:

APPROVED AS TO FORM:

By: _____
CITY CLERK

By: James H. Eggert for
CITY ATTORNEY

Dated: _____

CITY OF ORANGE

By: _____
MAYOR

ATTEST:

APPROVED AS TO FORM:

By: _____
CITY CLERK

By: _____
CITY ATTORNEY