

**THE SOUTHWEST MISSOURI JOINT MUNICIPAL  
WATER UTILITY COMMISSION**

**JOINT CONTRACT**

Approved by the Tri-State Water Resource Coalition Board of Directors 3/21/12

## TABLE OF CONTENTS

SECTION 1.	EFFECTIVE DATE.....	1
SECTION 2.	CREATION OF THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION ; PURPOSE.....	1
SECTION 3.	DURATION OF JOINT CONTRACT: DISPOSITION OF ASSETS ON DISSOLUTION .....	2
SECTION 4.	WITHDRAWAL.....	2
SECTION 5.	AMENDMENT.....	3
SECTION 6.	ADDITIONAL CONTRACTING MEMBERS .....	3
SECTION 7.	BOARD OF DIRECTORS .....	3
SECTION 8.	OFFICERS.....	4
SECTION 9.	MEETINGS AND VOTING .....	7
SECTION 10.	GENERAL POWERS.....	8
SECTION 11.	ACQUISITION, CONSTRUCTION, OPERATION AND MAINTENANCE OF PROJECTS.....	10
SECTION 12.	FINANCING OF PROJECTS. ....	10
SECTION 13.	ANNUAL BUDGET; ASSESSMENT.....	10
SECTION 14.	THE EXECUTIVE DIRECTOR .....	10
SECTION 15.	INDEMNIFICATION OF DIRECTORS AND OFFICERS.....	11
SECTION 16.	CONTRACTS.....	11
SECTION 17.	INTEREST OF CONTRACTING MEMBERS. ....	11
SECTION 18.	SERVICES OF CONTRACTING MEMBERS. ....	12
SECTION 19.	INFORMATION FROM CONTRACTING MEMBERS.....	12
SECTION 20.	NOTICES.....	12
SECTION 21.	SEVERABILITY.....	12
SECTION 22.	DUPLICATE ORIGINALS.....	12

**THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY  
COMMISSION**

This JOINT CONTRACT is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and among the municipalities, public water supply districts and other public sector entities of the State of Missouri whose names are subscribed hereto, hereinafter referred to as the "Contracting Members", acting pursuant to the authority conferred upon them by the Joint Municipal Utility Commission Act, Sections 393.700 to 393.770 RSMo, hereinafter referred to as "the Act".

**WITNESSETH:**

WHEREAS, the Contracting Members desire, pursuant to the provisions of the Act, to create and become parties to a joint contract establishing a joint municipal water utility commission, as a separate governmental entity, constituting a political subdivision and body public and corporate of the State of Missouri, to provide for the planning, development, construction, financing, acquisition, participating in, improving, extending, operating, repairing and maintaining of water sources, including, but not limited to lakes, reservoirs, ponds, storage facilities, dams, wells and raw water; water treatment and purification plants; pumping stations; pipelines and distribution facilities and all other facilities or resources required to meet all or part of the potable water supply requirements of one or more of their respective water supply systems;

NOW, THEREFORE,

The Contracting Members agree as follows:

**SECTION 1:                   EFFECTIVE DATE**

This Joint Contract shall become effective and the existence of the Commission shall commence when two or more Contracting Members have duly executed it.

**SECTION 2:                   CREATION OF THE SOUTHWEST MISSOURI JOINT  
MUNICIPAL WATER UTILITY COMMISSION; PURPOSE**

The Contracting Members pursuant to the Act, do hereby create a joint municipal water resource utility Commission, as a separate governmental entity, constituting a political subdivision and body public and corporate of the State of Missouri, to be known as The Southwest Missouri Joint Municipal Water Utility Commission (the "Commission"). The purpose of this Joint Contract and of the Commission created hereby is, generally, to develop water supply sources, facilities related thereto and the necessary water supplies required to meet the needs of the Contracting Members and the inhabitants they serve, in the most economic and feasible manner. It is the intent of the Contracting Members to organize the Commission on a regional basis to efficiently provide for a potable water supply and the production, joint purchase and distribution arrangements to produce and distribute safe drinking water to all or a part of the potable water requirements of the Contracting Members in the most economical and efficient manner.

It is understood that Contracting Members may decide to form a separate and distinct joint municipal water commission to provide for water supply exploration, production, joint purchase and distribution arrangements. That event shall in no way affect their status under this contract of the Contracting Members.

**SECTION 3: DURATION OF JOINT CONTRACT: DISPOSITION OF ASSETS ON DISSOLUTION**

The duration of this Joint Contract and the existence of the Commission shall be perpetual unless sooner terminated by a vote, evidenced by resolution of the governing body, of at least three-fourths of the Contracting Members provided, however, that this Joint Contract and the existence of the Commission may not in any event be terminated so long as the Commission has any bonds, notes or other obligations outstanding, unless sufficient funds have been set aside irrevocably in trust to satisfy all the outstanding bonds, notes or other obligations of the Commission.

Upon termination of the existence of the Commission the property and the assets of the Commission shall be divided and distributed among the Contracting Members which are then parties to this Joint Contract in proportion to the amount of total dues paid; provided however that a Contracting Member who is not a participant of a Project shall have no liability or share of assets of a project of which it is not a participant, unless the Contracting Member and all project participants have expressly agreed in writing to the contrary .

**SECTION 4: WITHDRAWAL**

Any Contracting Members may withdraw from the Commission upon giving one year's written notice to the Commission, evidenced by resolution of its governing body, and payment of all amounts in arrears in its dues; provided that the withdrawing Member has no financial obligation in any existing project. If the Commission, prior to the receiving of written notice from the Contracting Member, shall have incurred indebtedness, in conformity with Section 11, that matures after the effective date of the notice of withdrawal, the withdrawal shall not become effective until that indebtedness shall have been paid by the Commission; or until sufficient funds have been set aside irrevocably in trust to satisfy that indebtedness, or in the alternative, until the withdrawing Contracting Member shall have paid to the Commission its pro rata portion thereof, or until sufficient funds have been set aside irrevocably in trust to satisfy that portion, but which shall not be construed to impose any obligation or reimbursement requirement on a withdrawing Contracting Member for any project in which the Contracting Member is not a participant. Any Contracting Member that withdraws from the Commission shall not be entitled to any property or assets of the Commission. Any Contracting Member that has given notice of withdrawal, and satisfied the requirements for withdrawal, shall have no further obligation to the Commission.

Any withdrawing Member shall be responsible for any and all costs directly associated with the withdrawal. All expenses which are incurred by the Commission as a result of a Member withdrawal shall be the responsibility of the withdrawing Member.

**SECTION 5: AMENDMENT**

This Joint Contract may only be altered, or amended, by the affirmative vote of the governing bodies of each and every Contracting Member, except as set forth in this Joint Contract.

**SECTION 6: ADDITIONAL CONTRACTING MEMBERS**

Additional municipalities of the State of Missouri or public water supply districts, formed under the provisions of Chapter 247. RSMo., may become additional Contracting Members of the Commission under this Joint Contract, pursuant to a supplement to this Joint Contract, subject to any bond resolution or other contract with holders of bonds of the Commission and subject to payment of a pro rata share of organizational, planning and other expenditures as determined by the Board.

That supplement shall be executed by the applying municipality or water supply district, who shall ratify and adopt this Joint Contract, and it shall become effective when it has been approved by the affirmative vote of two-thirds (2/3) of the Board present and voting at any regular meeting and when duly executed and delivered by any additional Contracting Member.

**SECTION 7: BOARD OF DIRECTORS**

(A) Duties. The business and affairs of the Commission shall be governed by a Board of Directors hereinafter referred to as the Board. The powers of the Commission shall be exercised by the Board, in which shall be vested all of the powers vested in the Commission by this Joint Contract and by the Act. The Board shall have the power to adopt bylaws, not inconsistent with this Joint Contract or the law of Missouri, for the management, administration and regulation of the business affairs of the Commission and to adopt rates for the sale of wholesale water to contracting parties.

(B) Number. The Board shall consist of one Director from each Contracting Member. The Board shall have the power to change the number of directors by resolution adopted by a vote of two-thirds (2/3) of the members of the Board voting and present at any regular meeting to reflect admission of new directors appointed by Contracting Members who become parties to the Joint Contract from time to time; provided, however, that no Contracting Member shall have fewer members than required by Section 393.710.2 RSMo., and that such change takes place in accordance with the procedures set forth in Section 6 of this Joint Contract, but in no event shall the number of directors be fewer than two. All directors must be natural persons. In addition, by contract, the Commission by majority vote of the Board of Directors can grant others advisory member status.

(C) Appointment. Each of the Contracting Members shall appoint, by resolution or ordinance, one Director and one alternate, who may be employees of that Contracting Member. A certified copy of that resolution or ordinance shall be provided to the Commission secretary, and the same shall constitute the qualification of each director and/or alternate. An alternate may attend, vote and be counted for the purpose of establishing a quorum at meetings of the Board and the Executive Committee when the Director, for which he/she is an alternate, does not attend. Initial appointments shall be made at the time the governing body of a Contracting

Member authorizes the execution and delivery of this Joint Contract or supplement hereto in the case of an additional Contracting Member.

(D) Term. Each Director and alternate shall be appointed for a period of three (3) years. Their successors shall be appointed for terms of three (3) years each from the date of the expiration of the term for which the predecessor was appointed. Notwithstanding the foregoing, each Director and alternate shall continue in office until their successor is appointed and qualified.

(E) Vacancies. A vacancy occurring in the Board, whether that vacancy is the result of resignation, death, removal or disability, shall be filled within forty-five (45) days from the date the vacancy occurs, by appointment by the governing body of the Contracting Member that appointed the Director and alternate with respect to whom the vacancy occurred. Except as otherwise provided by law, Directors and alternates may be reappointed.

(F) Removal. Any Director and Alternate may be removed, with or without cause, at any time by the governing body of the Contracting Member that appointed the Director or Alternate.

(G) Compensation. No Director shall receive compensation from this Commission for any service that person may render to it as a Director. However, with prior approval a Director may be reimbursed for that Director's actual expenses reasonably incurred in attending meetings and in rendering service to this Commission in the administration of its affairs.

(H) Accounting and Audits. The Board shall establish and maintain an appropriate accounting system. A complete audit shall be made of the Commission's accounts, books and financial conditions as soon as practicable after the close of each fiscal year, and a report thereon shall be submitted to the Board and the governing body of each Contracting Member prior to the close of the next fiscal year.

## **SECTION 8: OFFICERS**

(A) General. The officers of this Commission shall be a president, one or more vice presidents, a secretary, a treasurer, and any other officers as the Board may elect. Officers of the Board shall be elected from among the members of the Board and shall at all times while holding those offices be a member of the Board. The same person may simultaneously hold more than one office in this Commission. The President and the Secretary may not be the same person.

The officers shall be first elected by the Board named in the Joint Contract at the first meeting of the Board, to serve at the pleasure of the Board until the first annual meeting of the board of directors or until their earlier death, incapacity, disqualification, resignation or removal. At the first and each subsequent annual meeting of the Board, the Board shall elect officers to serve at the pleasure of the Board until the next annual meeting of the Board or until their earlier death, incapacity, disqualification, resignation or removal.

Each officer of this Commission who is not reelected at the annual meeting of the Board next succeeding that officer's election and at which any officer of this Commission is

elected shall be deemed to have been replaced by the Board, unless the Board provides otherwise at the time of that officer's election.

The election of an officer does not itself create contract rights.

(B) Resignation. An officer may resign by delivering a written notice thereof to this Commission. That resignation shall be effective when it is delivered, unless a future effective date is specified in the notice.

(C) Removal. Any officer of this Commission may be removed or discharged for any lawful purpose by the Board at any time with or without cause, but that removal or discharge shall not affect the contract rights of the Contracting Member represented by the person so removed or discharged, or the officer's status as a director.

(D) Compensation. No Director of the Board shall receive any salary or compensation for serving as a Director. Each Director may be reimbursed for actual expenses if those expenses are reasonable and incurred in connection with the business and activities of this Commission.

(E) Vacancies. Vacancies caused by the death, incapacity, disqualification, resignation or removal of an officer of this Commission shall be filled by the Board at any annual or other regular meeting, or at any special meeting called for that purpose, and the person or persons so elected to fill a vacancy shall serve at the pleasure of the Board until the next annual meeting of the Board or until that person's earlier death, incapacity, disqualification, resignation or removal.

(F) Delegation of Authority. The Board may from time to time delegate any of the functions, powers, duties and responsibilities of any officer to any other officer. In the event of a delegation, the officer from whom any function, power, duty or responsibility has been transferred shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

(G) The President. The president shall preside at all meetings of the Directors at which the president may be present and shall have any other duties, powers and authority as may be prescribed elsewhere in this Joint Contract or in the Commission's bylaws. The Board may delegate any other authority and assign any additional duties to the president, as it may from time to time determine.

The president may execute, with approval of the Board, all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of this Commission, may cause the seal to be affixed thereto, and may execute all other contracts and instruments for and in the name of this Commission.

At each annual meeting of the Board, the president (together with the treasurer) shall report on the activities and financial condition of this Commission.

The president shall have all other duties, powers and authority as may be prescribed elsewhere in this Joint Contract or the Commission's bylaws or by the Board.

(H) The Vice President. The vice president, or vice presidents if there are more than one, shall work in cooperation with the president and shall perform all duties as the Board may assign. In the event of the death or during the absence, incapacity, or inability or refusal to act as the president, the vice president (in order of seniority, 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, etc., if there is more than one vice president) shall be vested with all the powers and perform all the duties of the office of president until the Board otherwise provides.

(I) The Secretary. The secretary shall attend the meetings of the Board and shall prepare, or cause to be prepared, minutes of all proceedings at those meetings, and shall preserve them in the minute book of this Commission to be kept for that purpose. The secretary shall perform similar duties for any committee when requested by that committee. In addition, the secretary shall have the following duties:

- (i) act as custodian of all the books, papers and records of this Commission and authenticate records of this Commission;
- (ii) furnish the Board, upon request, a full, true and correct copy of any book, paper or record in the secretary's possession;
- (iii) act as custodian of the seal of this Commission and when authorized to do so shall affix it to any instrument requiring the seal, and when so affixed, shall attest the seal;
- (iv) give, or cause to be given, notice of the meetings of the Board, but this shall not lessen the authority of others to give such notice as provided in this Joint Contract or the Commission's bylaws;
- (v) exercise and discharge the general duties, powers and responsibilities of a secretary of a Commission; and
- (vi) exercise and discharge any other or further duties or authority as may be prescribed in this Joint Contract or in the Commission's bylaws, or from time to time by the Board.

(J) The Treasurer. The treasurer shall have supervision and custody of all moneys, funds and credits of this Commission, and shall cause to be kept full and accurate accounts of the receipts and disbursements of this Commission in books belonging to it. The treasurer shall keep or cause to be kept all other books of account and accounting records of this Commission as shall be necessary, and shall cause all moneys and credits to be deposited in the name and to the credit of this Commission in such accounts and depositories as may be designated by the Board. The treasurer shall disburse or permit the disbursement of funds of this Commission in accordance with the authority granted by the Board. The treasurer shall be relieved of all responsibility for any moneys or other valuable property or the disbursement thereof committed by the Board to the custody of any other person or Commission, or the supervision of which is delegated by the Board to any other officer, agent or employee.



The treasurer shall render to the president or the Board, whenever requested by any of them, a report on all financial transactions of this Commission and the financial condition of this Commission.

At each annual meeting of the members, the treasurer (together with the president) shall report on the activities and financial condition of this Commission.

The treasurer shall be bonded at this Commission's expense. The treasurer shall have the general duties, powers and responsibilities of a treasurer of a Commission, shall perform the duties of or oversee the duties of the chief financial and/or accounting officer of this Commission and shall have and perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board.

(K) Assistant Secretary and Assistant Treasurer. Each assistant secretary or assistant treasurer, if any, in order of their seniority, in the event of the death or during the absence, incapacity, inability or refusal to act of the secretary or treasurer, respectively, shall perform the duties and exercise the powers of said respective officers until the Board provides otherwise and shall perform any other duties as the Directors may from time to time prescribe.

## **SECTION 9: MEETINGS AND VOTING**

(A) Organizational Meeting. The Board shall, promptly following the appointment of its Directors, meet in an organizational meeting to adopt bylaws and elect the officers that the Board deems necessary and appropriate.

(B) Meetings of the Board. The Commission's bylaws shall set forth the requirements and procedures for annual, regular and special meetings of the Board.

(C) Quorum. The presence of a majority of the Directors in office shall be requisite for and shall constitute a quorum for the transaction of business at all meetings; provided, however, that in no event shall fewer than two Directors constitute a quorum. The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be valid as the act of the Board, except in those specific instances in which a larger vote may be required by law, by this Joint Contract or by the Commission's bylaws. Advisory Directors shall not be counted for purposes of determining whether a quorum is present at a Board meeting. A Director or Alternate may participate through telecommunication and/or web conferencing and will be counted as present in determining a quorum and allowed to vote.

(D) Voting. Each Director shall have one vote on behalf of their Contracting Member on any question that comes before the Board relating to the general business of the Board affecting all Board members.

With respect to any question relating to a specific project undertaken by the Commission, only those Board members engaged in that project as designated by resolution of the Board, shall be entitled to vote on that question provided that no Commission responsibilities, financial or otherwise, are created by the action. In addition, each representative of an entity that has entered into a board services agreement in relation to a project with the Commission shall have the voting rights afforded to that entity by that board services agreement.

## **SECTION 10: GENERAL POWERS**

The general powers of the Commission shall be the powers set forth in the Act and shall include the power to:

(A) plan, develop, acquire, construct, reconstruct, explore, operate, manage, dispose of, participate in, maintain, repair, extend or improve one or more projects, either exclusively or jointly, or by participation with public water supply districts, investor owned water utilities (provided formal opinion has been received from legal counsel that the participation as defined by investor owned or for profit water utility or utilities is lawful and will not result in negative impact on the Commission such as forfeiture of favorable income tax treatment) and other joint water commissions, or acquire any interest in or any rights to the output of a project, within or outside the State of Missouri, and act as an agent, or designate one or more other persons participating in a project to act as its agent, in connection with the planning, acquisition, construction, operation, maintenance, repair, extension or improvement of that project;

(B) acquire, by purchase or lease, construct, install and operate reservoirs, storage facilities, pipelines, wells, dams, pumping stations, water purification plants and other facilities or property for the production, wholesale distribution and utilization of water, and to lease, own and hold any real estate and personal property as may be necessary or convenient to carry out the purposes of the Commission; provided, however, the Commission may not sell or distribute water at retail or wholesale within the certificated area of a water corporation which is subject to the jurisdiction of the Public Service Commission unless the sale or distribution of water is within the boundaries of a public water supply district or Contracting Member in the Commission and the Commission has obtained the approval of the Public Service Commission prior to commencing that sale or distribution of water.

(C) enter into operating, franchises, exchange, joint purchase, distribution and other similar agreements with any person or firm;

(D) make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Commission, including, but not limited to: (1) board service agreements with investor owned water utilities and other entities who are potential participants in Commission projects, which agreement may give a representative of each such entity those rights and responsibilities, with respect to the planning, operations and administrative affairs of potential projects of the Commission, as shall be set forth in the board services agreement, though that representative shall only be an Advisory Member of the Board and shall not be a Director of the Commission; and (2) agreements with public entities of other states that are similar to the Commission and that are formed pursuant to authority granted by the enabling statutes of a state adjacent to the State of Missouri, to further the purposes stated in Section II of this joint Contract;

(E) employ agents and employees;

(F) contract with any person, within or outside the state, for the construction of any project or for any interest therein or any right in capacity thereof, prepare final plans and

specifications in advance of construction, or secure performance and payment bonds, except to the extent and on the terms as the Board or executive committee, if so established, shall determine. Any contract entered into pursuant hereto shall contain a provision that the requirements of sections 290.210 to 290.340, RSMo, requiring the payment of prevailing wages on public works, shall apply;

(G) purchase, sell, exchange or distribute waters, or any by-product resulting therefrom, within and outside the State of Missouri, in any amount as it shall determine to be necessary and appropriate to make the most effective use of its powers and to meet its responsibilities, and to enter into agreement with any person or firm with respect to the purchase, sale, exchange or distribution, on terms and for the period of time as the Board shall determine. The Commission may not sell or distribute water at retail to ultimate customers outside the jurisdictional boundaries of its Contracting Members, except pursuant to (B) above;

(H) acquire, own, hold, use, lease, as lessor or lessee, sell or otherwise dispose of, mortgage, pledge, or grant a security interest in any real or personal property, commodity or service or interest therein;

(I) exercise the powers of eminent domain as provided by law;

(J) incur debts, liabilities or obligations including the issuance of bonds pursuant to the authority granted in Section 27 Article VI of the Missouri Constitution;

(K) sue and be sued in its own name;

(L) have and use a corporate seal;

(M) fix, maintain and revise fees, assessments, rates, rents and charges for functions, services, facilities or commodities provided by the Commission;

(N) make, and from time to time, amend and repeal bylaws, rules and regulations not inconsistent with this Joint Contract;

(O) invest any funds held in reserve or sinking funds, or any funds not required for immediate disbursement, including the proceeds from the sale of any bonds, in those obligations, securities and other investments as the Board deems proper;

(P) join organizations, membership in which is deemed by the Board to be beneficial to the accomplishment of the Commission's purposes;

(Q) exercise any other powers that are deemed necessary and convenient by the Board to effectuate the purpose of the Commission;

(R) do and perform any authorized acts and things through or by means of an agent or by contracts with any person; and

(S) comply or cause compliance with the Act, the laws of the State of Missouri and each and every term, provision, and covenant of this Joint Contract.

**SECTION 11: ACQUISITION, CONSTRUCTION, OPERATION AND MAINTENANCE OF PROJECTS**

The Commission shall have the responsibility for the acquisition, construction, operation and maintenance of any of its projects, including any interest in facilities acquired under a co-ownership arrangement with others; provided that, in connection with any co-ownership arrangement, the Commission may act as agent, or designate any other participant therein to act as agent, for the acquisition, construction, operation and maintenance of projects on behalf of all the participants therein.

**SECTION 12: FINANCING OF PROJECTS**

The Commission may finance any of its projects in any manner as the Board shall authorize by resolution, which may include grants or loans from any governmental agency or entity or from any commercial lending institutions and/or including the issuance of revenue bonds. Bonds issued pursuant to sections 393.700 to 393.770 RSMo by the Commission shall be payable as to the principal and interest, solely from the net revenues derived by the Commission from the operation and maintenance of the Commission's projects, or from sources made available to the Commission from sources other than from proceeds of taxation. Revenue bonds and other indebtedness of the Commission shall not be the debt, liability or obligation of the Contracting Municipalities and neither the faith and credit nor the taxing power of the Contracting Members shall be pledged to the payment of such indebtedness or revenue bonds (393.725 RSMo). The Commission will insure revenue streams sufficient to pay the O&M, principal and interest of projects through contracts as outlined in Section 16, Contracts. No Contracting Member shall have any obligation for any project for which it is not a participant.

**SECTION 13: ANNUAL BUDGET; ASSESSMENTS**

The Board shall prepare and submit to each Contracting Member, not later than ninety (90) days prior to the commencement of each fiscal year other than the initial fiscal year, an itemized annual budget that shall set forth in reasonable detail the estimated receipts and expenditures relating to (i) the Commission and (ii) each of its projects, for that year. The Board shall establish dues to be paid by the Contracting Members, in amounts as will, together with other available funds of the Commission, in the aggregate, be not less than the budgeted expenditures relating to the Commission for the fiscal year, plus adequate provisions for contingencies and reserves. The Board shall also establish assessments against Contracting Members participating in a project, in amounts as will, together with other available funds from that project, in the aggregate, be not less than the budgeted expenditures relating to that project for the fiscal year, plus adequate provisions for contingencies and reserves. Dues of Contracting Members and assessments shall be established by the Commission's bylaws.

The Board may amend the annual budget at any time during the fiscal year.

**SECTION 14: THE EXECUTIVE DIRECTOR**

Unless the Board otherwise provides, the executive director shall be the chief operating officer of this Commission and shall have such general executive powers and duties of

supervision and management as are usually vested in the office of the chief operating officer of a Commission, and the executive director shall carry into effect all directions and resolutions of the Board. Unless the Board otherwise provides, the executive director shall not be entitled to vote at, and shall not be counted for determining if a quorum is present at, any Board meeting.

Unless otherwise specifically provided by the Board, the executive director shall have the right to participate in any meeting of any committee of the Board; provided, however, that unless the Board otherwise directs, the executive director shall not be entitled to vote at, and shall not be counted for purposes of determining whether a quorum is present at, any meeting of a committee.

Salaries and compensation of all employees of this Commission may be fixed, increased or decreased by officers of the Board. Employees of this Commission may be reimbursed for actual expenses if they are reasonable and incurred in connection with the business and activities of this Commission.

#### **SECTION 15: INDEMNIFICATION OF DIRECTORS AND OFFICERS**

No Director, officer, executive director or employee shall be personally liable for any actions or procedure of the Board. Each Director, officer, executive director or employee of the Commission, whether or not then in office, shall be indemnified by the Commission against all costs and expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit or proceeding in which he/she may be involved or to which he/she may be made a party by reason of his/her being or having been a Director, officer, executive director or employee, except in relation to matters as to which he/she shall be finally adjudged in an action, suit or proceeding to be liable for willful or wanton negligence or misconduct in the performance of his/her duty.

These costs and expenses shall include amounts reasonably paid in settlement for the purpose of curtailing the costs of litigation, but only if the Commission is advised in writing by its counsel that it is the counsel's opinion the person indemnified did not commit willful or wanton negligence or misconduct in the performance of duty. The foregoing right of indemnification shall not be exclusive of other rights to which that Director, officer, executive director or employee may be entitled as a matter of law or by agreement.

#### **SECTION 16: CONTRACTS**

Except as otherwise provided by law, the Board may authorize, by resolution, any officer or officers, agent or agents, employee or employees to enter into any contract, or execute and deliver any instrument, in the name and on behalf of the Commission. The Commission will insure that revenue for projects is sufficient to pay all cost of projects including but not limited to engineering, O&M, principal and interest through contracts with participating members. Contracts between the Commission and participating members for project financing are not binding until approved by the contracting member's governing body.

#### **SECTION 17: INTEREST OF CONTRACTING MEMBERS**

Subject to Section 4, the ownership interest of each Contracting Member in a project shall be determined in proportion to payments made by the Contracting Members under contracts.

**SECTION 18: SERVICES OF CONTRACTING MEMBERS**

In the performance of its duties, the Board may utilize the services of any officer or employee of a Contracting Member with the approval of the governing body of the Contracting Member provided, however, that that Contracting Member may bill the Commission for, and the Commission shall pay, the reasonable cost of those services.

**SECTION 19: INFORMATION FROM CONTRACTING MEMBER**

Upon request of the Commission, elected and appointed officers and employees of the Contracting Member shall promptly furnish information, statistics and reports under their control to the Commission and shall otherwise cooperate with the Commission.

**SECTION 20: NOTICES**

Any formal notice, demand or request provided for in this Joint Contract shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by regular or e-mail, postage prepaid, to the persons and at the addresses provided in writing to the Commission.

**SECTION 21: SEVERABILITY**

In the event that any of the terms, covenants or conditions of this Joint Contract or their application shall be held invalid as to any person, corporation or circumstance by any court having jurisdiction, the remainder of this Joint Contract and the application and effect of its terms, covenants or conditions to those persons, corporations or circumstances shall not be affected thereby.

**SECTION 22: DUPLICATE ORIGINALS**

This Joint Contract may be executed in several counterparts, each of which will be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Contracting Members have caused this Joint Contract to be executed as of the day and year first above written.

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk