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February 17, 2026

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Authorize the Mayor to Execute the Amended and Restated Joint Powers Agreement of the Redwood Region Economic Development Commission

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the Mayor to sign the amended and restated Joint Powers Agreement of the Redwood Region Economic Development Commission; or,

Continue the item and request a presentation from RREDC Executive Director; or,

Take no action.

BACKGROUND AND DISCUSSION

This staff report provides an analysis of the changes between the original Joint Powers Agreement (JPA) adopted November 1, 1977, and the proposed Amended and Restated Joint Powers Agreement. The original JPA has been amended nine times between 1978 and 1992, primarily to add new member entities. The proposed Amended and Restated JPA modernizes the agreement to reflect contemporary economic development practices, streamlines governance procedures, and maintains the core mission of regional collaboration.

The proposed amendments represent a strategic update to align RREDC with current best practices in economic development while preserving the essential collaborative framework established nearly 50 years ago. Key changes address the evolution from a federally-funded, grant-specific initiative to a sustainable, multi-faceted regional economic development agency.

The Redwood Region Economic Development Commission was formed in 1977 by 13 public entities: the County of Humboldt, seven cities (Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad), and five special districts. The formation was

driven by the need to coordinate a response to the economic impacts of the expansion of Redwood National Park and to develop a countywide Economic Development Action Plan and Strategy using federal assistance through Title IX of the Public Works and Economic Development Act of 1965.

Between 1978 and 1992, nine amendments were adopted, adding six additional community services districts and the Hoopa Valley Tribe as members:

- Amendment No. I (June 1, 1978): Added Willow Creek Community Services District
- Amendment No. III (September 22, 1980): Added Manila Community Services District
- Amendment No. IV (November 24, 1980): Added Orick Community Services District
- Amendment No. V (March 23, 1981): Added Redway Community Services District (withdrew April 19, 1984; reinstated by Amendment No. VIII, September 30, 1990)
- Amendment No. VI (August 1, 1983): Added Hoopa Valley Business Council (governing body of the Hoopa Valley Tribe)
- Amendment No. VII (December 30, 1983): Added Orleans Community Services District

Amendment No. IX (1992) expanded RREDC's regional scope to include projects in Mendocino and Del Norte Counties under certain circumstances. The current membership stands at 19 public entities.

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## MAJOR CHANGES: ORIGINAL (1977) VS. PROPOSED AMENDED JPA

### 1. Recitals and Statement of Purpose

#### Original JPA (1977)

The original recitals reflect the immediate post-National Park expansion crisis, emphasizing:

- "Scarcity of job opportunities, limited areas available for economic growth and development, severely limited local public funds, limited tax base, and inadequacies of resources, facilities and services"
- Federal Title IX Economic Development and Adjustment Assistance Program as the primary focus
- Economic Development Administration (EDA) as the driving force
- Formulation and implementation of an Economic Development Action Plan and Strategy as mandated by federal law

The purpose statement (Section 3.01) was narrowly focused on administering federal grants and implementing the federally-required Economic Development Action Plan and Strategy.

#### Proposed Amended JPA

The proposed recitals are streamlined, forward-looking, and emphasize regional collaboration:

- Removes deficit-focused language about economic challenges
- Emphasizes "sustainable and collaborative approach" rather than crisis response
- Focuses on "sustainable and resilient economic opportunities"
- Recognizes value of regional coordination for accessing resources and providing capacity to smaller communities
- Eliminates all references to the EDA as the driving force

The new purpose statement (Article III, Section 3.01) is significantly broader and more contemporary:

- Expands mission to "united, coordinated, efficient, sustainable, and equitable economic development programming"
- Adds explicit authority to operate revolving loan funds and leverage financial resources
- Emphasizes creating "opportunities for prosperity through sustainable economic growth"
- Maintains the advisory committee structure for implementation

**KEY CHANGE:** The transformation from a federally-driven, grant-specific organization to a self-sustaining regional economic development agency with broad authority to pursue diverse funding sources and programs.

## 2. Geographic Scope and Boundaries

### Original JPA (1977)

Section 4.09 strictly limited RREDC to "all of the territory within the geographical boundaries of HUMBOLDT COUNTY, California." The 1992 Amendment No. IX expanded this to allow projects in Mendocino and Del Norte Counties under certain circumstances (referenced in Section 3.01), but the language remained somewhat restrictive.

### Proposed Amended JPA

The proposed JPA eliminates the separate "Boundaries" section and instead integrates geographic scope into the purpose statement. Section 3.01(a) now provides that RREDC will:

"lead and participate in economic development programs in Humboldt County and with public entities, sovereign nations, businesses, and organizations therein and in adjacent and nearby counties and tribal lands"

This language:

- Maintains Humboldt County as the primary focus
- Explicitly includes tribal lands and sovereign nations

- Provides flexibility for regional collaboration beyond strict county boundaries
- Aligns with the California Jobs First program geography (Del Norte, Humboldt, Mendocino, and Lake Counties)

KEY CHANGE: Greater flexibility for cross-jurisdictional collaboration while maintaining Humboldt County primacy. Explicit recognition of tribal sovereignty and lands.

### 3. Membership and Governance Structure

#### Original JPA (1977)

The original JPA listed specific member entities in the preamble and required formal amendments to add new members. There was no general membership eligibility provision. The governance structure was rigid:

- Each member entity appoints one representative and one alternate from its governing board
- Representatives serve at the pleasure of the appointing entity
- No process for new entities to join without amending the JPA

#### Proposed Amended JPA

The proposed JPA (Article I, Section 1.04) establishes a clear membership process:

"Any Public Agency as defined in Government Code Section 6500, which is located wholly or partly within the boundaries of Humboldt County, or any adjacent county, is eligible for membership in the COMMISSION. Upon approval by a simple majority vote of the full Board of Directors, any such public agency may become a MEMBER if: (a) its governing body duly approves membership and agrees to all the terms of this Joint Powers Agreement, and (b) An authorized officer of such agency executes this Agreement on its behalf."

This provision:

- Allows new members to join without amending the entire JPA
- Extends eligibility to public agencies in adjacent counties
- Requires only a simple majority Board vote for approval
- Streamlines the administrative process for membership expansion

KEY CHANGE: Membership process transforms from requiring formal JPA amendments to a streamlined Board approval process, enabling regional expansion without extensive legal procedures.

### 4. Meeting Schedule and Requirements

#### Original JPA (1977)

Section 4.03 mandated:

- "at least one regular meeting shall be held once each month"
- Date, hour, and place fixed by Board resolution
- Automatic withdrawal provision: "A member entity that fails to be represented at three regular successive meetings shall be deemed to have withdrawn as a party to this Agreement and as a member of the COMMISSION"

#### Proposed Amended JPA

Section 4.07 reduces the meeting frequency requirement:

"The Board of Directors shall establish by resolution the dates, times and places of its regular meetings, which shall be held not less than four times during each calendar year."

Section 4.08 modifies the attendance requirement:

"A MEMBER that fails to attend three regular successive meetings without notice to the COMMISSION or fails to appoint a representative to the Board of Directors without notice to the COMMISSION shall be deemed to have withdrawn as a party to this Agreement and as a MEMBER of the COMMISSION and will be ineligible to vote on COMMISSION business or constitute a quorum."

Key differences:

- Reduces minimum meetings from 12 per year to 4 per year
- Adds notice requirement – members must notify RREDC staff when unable to attend
- Provides more flexibility in scheduling while maintaining accountability
- Recognizes that some entities have not formally attended for years but have not been notified of withdrawal

KEY CHANGE: More realistic meeting schedule (quarterly instead of monthly) with enhanced communication expectations. This reflects modern governance practices while maintaining accountability.

#### 5. Quorum and Voting Requirements

Original JPA (1977)

Section 4.06 established:

- Quorum: Ten (10) members (out of what eventually became 19 members)
- Policy and fiscal matters: At least nine (9) affirmative votes required
- Procedural matters: Majority of quorum

#### Proposed Amended JPA

Section 4.09 simplifies and standardizes:

"A majority of the Board of Directors shall constitute a quorum for the transaction of business. The Board of Directors shall act by motion or resolution. Except as otherwise expressly provided by this Agreement or applicable law, all motions, resolutions and ordinances of the Board of Directors, and all actions required or permitted to be taken by the MEMBERS acting through the Board of Directors, shall be by a majority vote of the quorum."

This change:

- Eliminates fixed numeric requirements in favor of flexible majority standards
- Removes distinction between policy/fiscal and procedural matters
- Automatically adjusts as membership changes without requiring amendments
- Aligns with standard joint powers agency practices

KEY CHANGE: Transition from fixed numeric thresholds to proportional majority standards, providing operational flexibility as membership evolves.

## 6. Budget Process and Timeline

Original JPA (1977)

Section 9.04 established a detailed budget adoption process:

- Draft budget due on or before March 1
- Public hearing notice requirements (10 days' advance notice in newspaper)
- Final budget adoption not later than May 1
- Detailed provisions about budget content and format
- Budget could be published with County budget

## Proposed Amended JPA

Section 6.03 streamlines the budget process:

"The Board of Directors shall adopt by majority vote of the full Board of Directors an annual budget for each fiscal year at or before its last regular meeting before June 30 of each year."

This revision:

- Removes the March 1 draft budget requirement
- Eliminates prescriptive public hearing and notice requirements
- Changes final adoption deadline from May 1 to June 30
- Removes detailed procedural requirements
- Defers process details to Board procedures and bylaws

KEY CHANGE: Significant simplification of budget adoption timeline and process, moving from May 1 to June 30 deadline and removing prescriptive procedural requirements.

## 7. Financial Structure and Contributions

### Original JPA (1977)

The original agreement included detailed financial provisions:

- Section 9.02: Required specific initial contributions from each member (amounts listed in Exhibit B)
- Contributions due on or before October 1, 1977
- Detailed provisions on use of contributions for administrative expenses and federal grant applications
- Section 9.03: Detailed provisions for advances by members with interest repayment

### Proposed Amended JPA

Article VI significantly simplifies financial provisions:

- Section 6.01: Retains fiscal year definition (July 1 - June 30)
- Section 6.02: Maintains provision for member advances but removes prescriptive details
- Eliminates mandatory contribution requirements
- Removes dated references to specific federal grant applications

**KEY CHANGE:** Removal of mandatory member contributions reflects RREDC's evolution into a self-sustaining organization with diverse revenue sources (including the revolving loan fund). Financial flexibility increases significantly.

## 8. Powers, Duties, and Restrictions

### Original JPA (1977)

Article VI (Sections 6.01-6.05) and Article VII (Section 7.01) outlined powers and restrictions:

Granted Powers:

- Contract authority
- Employment of staff and consultants
- Property acquisition and disposal
- Ability to sue and be sued
- Incur debts and obligations
- Apply for and receive grants

Explicit Restrictions:

- No taxing powers
- No interference in member internal affairs
- No veto power over member grant applications
- No general obligation bond authority

- No capital improvement projects except with unanimous member approval

### Proposed Amended JPA

Article V streamlines and modernizes powers:

Retained Core Powers:

- All essential powers from original JPA are maintained
- Section 5.06(a): Adds explicit authority to appoint an "Administering Entity" to delegate operational functions
- Section 5.07: Clarifies that powers are subject to restrictions applicable to counties

Removed/Modified Restrictions:

- Eliminates the entire Article VII "Restrictions on Powers" section
- Removes explicit prohibitions on taxing, interfering with members, and veto powers (though these remain implicit through other provisions)
- Eliminates requirement for unanimous member approval of capital projects

Procedural Provisions Removed:

- Eliminates entire Article VIII (Method of Procedure) which detailed construction activities, financing, and project implementation processes
- These detailed operational procedures are no longer necessary given RREDC's evolved mission away from large capital projects

KEY CHANGE: Significant streamlining of powers and elimination of construction-focused procedures. Adds delegation authority. Reflects shift from capital project implementation to broader economic development programming.

### 9. Liability, Indemnification, and Insurance

#### Original JPA (1977)

Limited provisions on liability:

- Section 6.01: General statement that RREDC is separate entity
- Section 6.02(E): Debts and obligations do not constitute debts of member entities
- Section 6.02(I): Authority to obtain insurance
- Section 6.03: Claims governed by Government Code Division 3.6

### Proposed Amended JPA

Article VII adds comprehensive liability protection provisions:

- Section 7.03: Reaffirms that Commission debts are not member debts (cites Government Code Section 6508.1)
- Section 7.04: NEW comprehensive indemnification provision - RREDC must "indemnify, defend and hold harmless the MEMBERS, their officers and employees" except where injury is caused by member's sole negligence or willful misconduct
- Section 7.04: Defense costs and judgments are RREDC's responsibility; if members pay, they are entitled to full reimbursement from RREDC
- Section 7.05: Requires RREDC to obtain and maintain insurance at its expense
- Section 7.14: NEW provision allowing RREDC funds to defend and indemnify the Commission, members, directors, and employees for actions taken within scope of duties

KEY CHANGE: Major expansion of liability protection for member entities, with comprehensive indemnification obligations placed on RREDC. This provides significantly enhanced protection for member agencies and their representatives.

#### 10. Amendment, Withdrawal, and Termination Provisions

##### Original JPA (1977)

##### Amendment:

- Section 11.02: Requires approval by "all of the then participating public entities"
- Board approval not required

##### Withdrawal:

- Section 11.06: Any party may withdraw with 90 days' written notice
- No conditions or restrictions on withdrawal
- No provisions regarding withdrawing member's financial obligations or assets

##### Termination:

- Section 10.01: Requires agreement of at least three-fourths (3/4) of parties
- Section 10.02: Detailed asset distribution - advances repaid first with interest, then contributions returned proportionally, real and personal property divided as agreed

#### Proposed Amended JPA

##### Amendment:

- Section 7.06: Requires written instrument approved by "two thirds (2/3) of the MEMBERS"
- Reduces threshold from unanimous to supermajority
- Section 7.07: No member can be forced to contribute funds or become liable for debts without written consent

#### Withdrawal:

- Section 7.08: Members may withdraw "at any time by providing written notice"
- NEW RESTRICTION: If withdrawal would adversely affect bonds/indebtedness, requires two-thirds (2/3) Board vote
- NEW: Withdrawing member remains financially responsible for obligations incurred before withdrawal
- NEW: No automatic entitlement to distribution of property/funds except as Board may agree
- NEW: May be entitled to pro-rated return upon dissolution based on participation and contribution factors

#### Termination:

- Section 7.09: Requires "simple majority of the full Board" (reduced from 3/4 of all members)
- Cannot terminate until all bonds and indebtedness are paid
- RREDC continues to exist post-termination for winding up affairs
- Section 7.10: Surplus money disposed "as required by law," other property as Board agrees

KEY CHANGE: Amendment threshold reduced from unanimous to 2/3, making amendments more achievable. Withdrawal provisions significantly enhanced to protect RREDC's financial stability and address member asset interests. Termination threshold reduced from 3/4 to simple majority.

### 11. Administrative and Technical Provisions

#### Original JPA (1977)

Various administrative details scattered throughout:

- Detailed provisions about Exhibit A (initial board members) and Exhibit B (initial contributions)
- Secretary of State notice filing requirement
- Specific references to Economic Development Administration regulations and Title IX requirements
- Detailed record-keeping and audit provisions

#### Proposed Amended JPA

Streamlined administrative provisions:

- Removes all references to specific federal programs and EDA requirements
- Eliminates Exhibit references (no longer listing specific board members or contributions)
- Removes Secretary of State filing requirement detail

- Section 7.01-7.02: Simplified accounting and audit provisions (retains core requirements)
- Section 7.11: Updates notice provisions to allow for modern communication methods
- Section 7.12: NEW provision prohibiting member assignment of rights (protects RREDC integrity)

**KEY CHANGE:** Elimination of program-specific and dated administrative details in favor of general principles that remain relevant regardless of funding sources or programs.

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## SUMMARY OF KEY CHANGES

The following table summarizes the most significant changes between the original 1977 JPA and the proposed Amended and Restated JPA:

Category	Original (1977)	Proposed Amended
<b>Purpose &amp; Focus</b>	Federal EDA grant administration; Title IX Economic Development Action Plan	Sustainable, equitable regional economic development; revolving loan funds; diverse programming
<b>Geographic Scope</b>	Humboldt County only (later expanded to Del Norte and Mendocino under certain circumstances)	Humboldt County primary; adjacent and nearby counties and tribal lands
<b>Meeting Frequency</b>	Minimum monthly (12 per year)	Minimum quarterly (4 per year)
<b>Quorum</b>	Ten (10) members	Majority of Board
<b>Voting Threshold</b>	Nine (9) votes for policy/fiscal; majority of quorum for procedural	Majority of quorum for all matters
<b>Budget Adoption</b>	Draft by March 1; public hearing; final by May 1	Adopt by June 30; process determined by Board
<b>Member Contributions</b>	Required initial contributions per Exhibit B	No mandatory contributions; voluntary advances permitted
<b>New Member Process</b>	Requires formal JPA amendment	Simple majority Board vote; execute agreement
<b>JPA Amendment</b>	Requires unanimous approval of all members	Requires two-thirds (2/3) approval
<b>Withdrawal</b>	90 days' notice; no financial consequences specified	Written notice; remains liable for prior obligations; 2/3 vote if affects bonds
<b>Indemnification</b>	Limited provisions; insurance authority	Comprehensive indemnification of members and their officers/employees by RREDC

The proposed Amended and Restated Joint Powers Agreement represents a thoughtful modernization of RREDC's founding document. The changes preserve the essential

collaborative framework while updating governance, financial, and operational provisions to reflect nearly 50 years of organizational evolution. The amendments position RREDC to continue serving as an effective regional economic development organization for years to come.

Staff recommends approval of the Amended and Restated Joint Powers Agreement.

Attachments:

Amended and Restated JPA

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## **AMENDED AND RESTATED JOINT POWERS AGREEMENT OF THE REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION**

This Amended and Restated Joint Powers Agreement of the Redwood Region Economic Development Commission is made and entered into pursuant to the provisions of California Government Code Section 6500 et seq. (the ACT), and supersedes the original Joint Powers Agreement effective November 1, 1977, and amended nine times from 1978 – 1992. This Amended and Restated Joint Powers Agreement (“Agreement”) is effective as of **[DATE.]**

### **RECITALS**

- A. The Redwood Region Economic Development Commission (“COMMISSION” or “RREDC”) was formed in 1977 by the County of Humboldt, the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad, the Redwoods Community College District, the Humboldt Community Services District, the Humboldt Bay Municipal Water District, the Humboldt Bay Harbor, Recreation, and Conservation District, and the McKinleyville Community Services District. Subsequent amendments to the Agreement added to the membership the Redway Community Services District, Orick Community Services District, the Orleans Community Services District, the Manila Community Services District, the Willow Creek Community Services District, and the Hoopa Valley Tribe. These entities are referred to individually as a “Member,” and collectively, the “MEMBERS”.
- B. The RREDC was formed in 1977 to, among other purposes, develop and implement a countywide Economic Development Action Plan and Strategy for Humboldt County, using financial assistance offered through the federal Public Works and Economic Development Act of 1965 (42 USC §§ 3121-3234). In 1992 the RREDC Joint Powers Agreement was amended to expand its regional effectiveness by coordinating economic development strategy with entities located in the Counties of Mendocino and Del Norte.
- C. Successfully formulating and implementing an economic development strategy that best improves the quality of life in the region requires a united, sustainable, and collaborative approach to economic development projects and programs. Such regional coordination is ultimately beneficial to access and leverage federal and state resources and programs and provide capacity for smaller communities with limited resources.
- D. The MEMBERS desire to amend the Agreement to create more sustainable and resilient economic opportunities. In particular, the MEMBERS seek to update the Agreement’s purposes to reflect current economic development practices, to facilitate greater coordination within the region, and to update administrative provisions of the Joint Powers Agreement such as the COMMISSION’s regular meeting schedule and its budget adoption schedule.
- E. The MEMBERS believe it would be desirable and convenient to restate the Agreement in its entirety, to include previous amendments not further amended herein, and to make those amendments now desired by the MEMBERS.

**NOW THEREFORE**, based on the mutual covenants, conditions, and terms recited herein, which are made a material part of this agreement, the undersigned public agencies, collectively referred to herein as the “MEMBERS,” enter into this Amended and Restated Joint Powers Agreement and agree as follows:

## **AGREEMENT**

### **ARTICLE I. COMMISSION FORMATION**

**Section 1.01 Formation.** Pursuant to the Act, the MEMBERS hereby create a Joint Powers Agency to be known as the Redwood Region Economic Development Commission (COMMISSION).

**Section 1.02 Separate Public Entity.** The COMMISSION is a public entity separate from the MEMBERS within the meaning of Government Code Section 6507.

**Section 1.03 Parties to this Agreement.** For purposes of this Agreement, each MEMBER intends to, and does, contract with every other MEMBER which is a signatory to this Agreement and, in addition, with every public agency that becomes a MEMBER under Section 1.04. The withdrawal of any MEMBER from this Agreement does not affect its validity or enforceability as to the remaining MEMBERS, nor any remaining MEMBER’S intent to contract with any of the others.

**Section 1.04 Membership.** Any Public Agency as defined in Government Code Section 6500, which is located wholly or partly within the boundaries of Humboldt County, or any adjacent county, is eligible for membership in the COMMISSION. Upon approval by a simple majority vote of the full Board of Directors, any such public agency may become a MEMBER if:

- (a) its governing body duly approves membership and agrees to all the terms of this Joint Powers Agreement, and
- (b) An authorized officer of such agency executes this Agreement on its behalf.

### **ARTICLE II. DEFINITIONS**

**Section 2.01** Unless the context otherwise requires, the words and terms defined in this ARTICLE II shall, for the purposes hereof, have the meanings specified.

- (i) ACT. "ACT" means Title I, Division 7, Chapter 5 (commencing with Section 6500) of the Government Code of the State of California.
- (ii) COMMISSION. "COMMISSION" means the REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION created pursuant to this Agreement.
- (iii) BOARD OF DIRECTORS. "BOARD OF DIRECTORS" means the governing board of the COMMISSION established pursuant to this Agreement.
- (iv) MEMBER. "Member" means a Public Agency that is a party to this Joint Powers Agreement.
- (v) PUBLIC AGENCY. "Public Agency" is defined in Section 6500 of the Act.

### **ARTICLE III. PURPOSE**

**Section 3.01** The purpose of this Agreement is to create an independent public entity that will provide united, coordinated, efficient, sustainable, and equitable economic development programming for its MEMBERS and the community at large. Specifically, the COMMISSION will:

- (a) lead and participate in economic development programs in Humboldt County and with public entities, sovereign nations, businesses, and organizations therein and in adjacent and nearby counties and tribal lands, and
- (b) operate revolving loan funds and leverage other financial resources to provide access to capital to those individuals, businesses, and organizations that create jobs or otherwise provide opportunities for prosperity through sustainable economic growth, and
- (c) establish operating and advisory committees to assist the COMMISSION in carrying out the foregoing purposes and to assist the COMMISSION in the implementation of economic development projects and programs to improve the quality of life in the region.

### **ARTICLE IV. INTERNAL GOVERNANCE**

**Section 4.01 BOARD OF DIRECTORS** The COMMISSION shall be governed by a Board of Directors composed of one representative from each Public Entity that is a party to this Agreement, each serving in an individual capacity as a member of the BOARD OF DIRECTORS.

**Section 4.02 APPOINTMENTS TO BOARD OF DIRECTORS** Each MEMBER shall appoint, from its respective governing board, one individual to serve on the Board of Directors of the COMMISSION. Each MEMBER shall also appoint from its respective governing board one alternate individual to serve on the Board of Directors in the absence of the primary individual appointed by that Member. The alternate individual may vote at any meeting of the BOARD OF DIRECTORS of the COMMISSION at which the primary representative appointed by that MEMBER is absent or disqualified.

**Section 4.03 TERM OF APPOINTMENT** Each MEMBER'S representatives appointed to serve on the Board of Directors shall serve at the pleasure of the appointing Member. The governing board of the MEMBER shall appoint replacement individuals to serve on the Board of Directors as needed to ensure that the MEMBER maintains continuous representation on the Board of Directors.

**Section 4.04 VOTING POWER** All voting power of the COMMISSION shall reside in the BOARD OF DIRECTORS.

**Section 4.05 PROHIBITION OF EMPLOYMENT** No person while serving as a member of the BOARD OF DIRECTORS of the COMMISSION shall be eligible to be appointed to any salaried office or employment in the service of the COMMISSION nor shall they become eligible for such appointment within one year after they have ceased to be a member of the BOARD OF DIRECTORS of the COMMISSION.

**Section 4.06 COMPENSATION** The members of the BOARD OF DIRECTORS and any committees formed by the COMMISSION shall serve without compensation. All members of the BOARD OF DIRECTORS may be reimbursed for reasonable and necessary expenses incurred in the performance of their duties as such members. Reimbursement of expenses shall be subject to approval of the BOARD OF DIRECTORS.

**Section 4.07 REGULAR MEETINGS** The Board of Directors shall establish by resolution the dates, times and places of its regular meetings, which shall be held not less than four times during each calendar year. The Board of Director's meetings shall be conducted in accordance with the Ralph M. Brown Act (Government Code Sections 54950 et seq.).

**Section 4.08 ATTENDANCE AND PARTICIPATION** MEMBER representatives are expected to attend every Board of Director's meeting, arrange for the attendance of their alternate representatively when not able to, and to notice appropriate Commission staff when they will not be in attendance. A MEMBER that fails to attend three regular successive meetings without notice to the COMMISSION or fails to appoint a representative to the Board of Directors without notice to the COMMISSION shall be deemed to have withdrawn as a party to this Agreement and as a MEMBER of the COMMISSION and will be ineligible to vote on COMMISSION business or constitute a quorum.

**Section 4.09 QUORUM AND VOTING** A majority of the Board of Directors shall constitute a quorum for the transaction of business. The Board of Directors shall act by motion or resolution. Except as otherwise expressly provided by this Agreement or applicable law, all motions, resolutions and ordinances of the Board of Directors, and all actions required or permitted to be taken by the MEMBERS acting through the Board of Directors, shall be by a majority vote of the quorum.

**Section 4.10 RULES** The BOARD OF DIRECTORS of the COMMISSION may adopt by-laws, rules and regulations for the conduct of its meetings and affairs as are necessary for the purposes hereof.

**Section 4.11 CHAIR, VICE CHAIR AND SECRETARY** The BOARD OF DIRECTORS shall elect a Chair of the Board and Vice Chair of the Board from among its membership each calendar year. If either the Chair's or the Vice Chair's MEMBER ceases to be a MEMBER of the Commission, the resulting vacancy shall be filled at the next regular meeting of the BOARD OF DIRECTORS held after such vacancy occurs. The CHAIR shall preside over and conduct all meetings of the BOARD OF DIRECTORS.

- (a) The CHAIR shall be the chairperson of the Board of Directors and shall conduct all Board of Director meetings and perform such other duties and functions required of such person by this Agreement or the Board.
- (b) The VICE CHAIR shall serve in the CHAIR's absence and perform such duties as required by this Agreement, the Board.
- (c) The BOARD OF DIRECTORS shall select a Secretary who may, but need not, be a member of the BOARD OF DIRECTORS. The Secretary shall serve at the pleasure of the BOARD OF DIRECTORS and shall perform those duties and functions customary to the office of Secretary of a Public Entity.

**Section 4.12 TREASURER AND AUDITOR-CONTROLLER** The Treasurer - Tax Collector of the COUNTY OF HUMBOLDT is hereby designated as the Treasurer of the COMMISSION and as the depository to have custody of all the money of the COMMISSION from whatever source. The Auditor-Controller of the COUNTY OF HUMBOLDT is hereby designated as the Auditor-Controller of the COMMISSION. The Treasurer-Tax Collector and the Auditor-Controller shall have the duties and obligations set forth in Sections 6505 and 6505.5 of the ACT and shall ensure that there shall be strict accountability of all funds and report of all receipts and disbursements of the COMMISSION.

**Section 4.13 LEGAL ADVISOR** The BOARD OF DIRECTORS shall select, appoint, employ and retain the legal advisor of the COMMISSION, who shall perform such duties as may be prescribed by the BOARD OF DIRECTORS.

**Section 4.14 EMPLOYEES** The BOARD OF DIRECTORS shall have the power to appoint and employ such other officers, employees, and may contract with consultants and other professional persons or firms as it considers necessary for the purposes hereof.

## **ARTICLE V. POWERS**

**Section 5.01 GENERAL POWERS** The COMMISSION created by this Agreement shall exercise in the manner hereinafter provided the powers common to each of the entities to this Agreement.

**Section 5.02 SEPARATION** As provided in the ACT, the COMMISSION shall be a public entity separate from the parties hereto.

**Section 5.03 SPECIFIC POWERS** The COMMISSION is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers for the purposes of this Agreement including, but not limited to, any or all the following:

- (a) To make and enter into contracts.
- (b) To employ agents, employees, consultants, and independent contractors.
- (c) To acquire, hold or dispose of real and personal property, or any interest therein, by deed, purchase, lease, contract, gift, devise, or otherwise.
- (d) To sue and be sued in its own name, except as otherwise provided by law.
- (e) To incur debts, liabilities or obligations, provided that no debt, liability or obligation shall constitute a debt, liability or obligation of any of the separate public entities that are parties to this Agreement.
- (f) To apply for, accept, receive, and disburse grants, loans, and other financial assistance from any agency of the United States of America or of the State of California, or from any other public agency or other sources, public or private, and expend such funds for the purposes outlined in this Agreement.

- (g) To invest any money that is not required for the immediate necessities of the COMMISSION, as the COMMISSION determines, is advisable, in the same manner and upon the same conditions as apply to local agencies, pursuant to Section 53601 of the Government Code of the State of California.
- (h) To carry out and enforce all the provisions of this Agreement.
- (i) To contract for and obtain insurance against any insurable risk reasonably anticipated to result from the exercise of any powers or functions of the COMMISSION or the performance of any duties by the officers and employees of the COMMISSION.
- (j) To make, adopt, amend, and repeal its bylaws, rules, ordinances, resolutions, and procedural regulations consistent with, and to carry into effect, the powers granted in and purposes of this Agreement.

**Section 5.04 CLAIMS** All claims and actions for money or damages against the COMMISSION and its officers and employees are governed by Division 3.6 (commencing with Section 810) of Title I of the Government Code of the State of California. The COMMISSION shall be deemed a "public entity" within the meaning of Division 3.6 of Title I of said Government Code.

**Section 5.05 INTERESTS IN CONTRACTS** The provisions of Article 4 (commencing with Section 1090), Article 4.5 (commencing with Section 1100), and Article 4.6 (commencing with Section 1120), Chapter 1, Division 4, Title I, and Sections 87100 et seq. of the Government Code of the State of California prohibiting certain financial interests in public contracts and pertaining to conflicts of interest shall apply to the officers, officials, directors, and employees of the COMMISSION.

**Section 5.06 ENFORCEMENT BY COMMISSION** The COMMISSION is hereby authorized to take any or all legal actions necessary and permitted by law to enforce this Agreement.

- (a) Appointment of Administering Entity Pursuant to Government Code Section 6506, the Board may appoint an agency or entity, including one or more MEMBERS upon consent of the governing body of such Member, a commission or board constituted pursuant to this Agreement, or a person, firm or corporation, including a nonprofit corporation, which it may designate, to administer or execute this Agreement, or any portions of this Agreement.

**Section 5.07 RESTRICTIONS ON EXERCISE OF POWERS** Powers of the COMMISSION shall be exercised as provided in the Act and shall be subject, in accordance with Section 6509 of the Act, to such restrictions upon the manner of exercising such powers as are imposed upon counties in the exercise of similar powers.

## **ARTICLE VI. FINANCIAL PROVISIONS**

**Section 6.01 FISCAL YEAR.** The fiscal year of the COMMISSION shall be from July 1 of each year to and including June 30 of the following year.

**Section 6.02 ADVANCES** Each of the parties to this Agreement may advance to the COMMISSION money in such sums as may be mutually agreed upon by such party and the BOARD OF DIRECTORS. An amount equal to all advances made by each party, plus interest thereon at a rate to be mutually agreed upon by the COMMISSION and the party making such advances, shall be repaid by the COMMISSION funds then available to the COMMISSION. Repayment of such advances may also be made by the COMMISSION at such other time or times as the COMMISSION and the party making such advance shall mutually agree at the time such advance is made.

**Section 6.03 ANNUAL BUDGET** The Board of Directors shall adopt by majority vote of the full Board of Directors an annual budget for each fiscal year at or before its last regular meeting before June 30 of each year.

## **ARTICLE VII. MISCELLANEOUS PROVISIONS**

**Section 7.01 ACCOUNTS** The COMMISSION shall keep accurate and correct books of account, showing in detail the costs of administration, bond interest, bond redemption, operation and maintenance, and all financial transactions of the COMMISSION. Said books of account shall always be open to inspection by any representative of any of the parties hereto, or by any accountant or other person authorized by any party hereto to inspect said books of account.

**Section 7.02 ANNUAL AUDIT** The accounts and records of the COMMISSION shall be audited as provided in Government Code Sections 6505 and 6505.5 or as required by other entities providing funding to COMMISSION.

**Section 7.03 LIMITATION ON LIABILITY OF MEMBERS FOR DEBTS AND OBLIGATIONS OF COMMISSION** As provided for by Government Code section 6508.1, the debts, liabilities, and obligations of the COMMISSION do not constitute debts, liabilities, or obligations of any party to this Agreement. A MEMBER may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the COMMISSION.

**Section 7.04 INDEMNITY** The COMMISSION shall indemnify, defend and hold harmless the MEMBERS, their officers and employees, from and against all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation), collectively referred to as 'injury', of every nature arising out of the COMMISSION activities described herein, or its failure to comply with any of its obligations contained herein, except where such injury is caused by the sole negligence or willful misconduct of a Member. Any defense of claims, as well as the cost of any judgments imposed for claims resulting from actions by the COMMISSION or any of the officers, agents, employees, or contractors of the COMMISSION in relation to this Agreement shall be the sole responsibility of the COMMISSION. To the extent that MEMBERS are also held jointly and severally liable for such amounts by Government Code section 895.2, if a MEMBER provides for such defense of itself or the COMMISSION, or pays all or a part of such judgment, the MEMBER shall be entitled to reimbursement in full from the COMMISSION, provided the MEMBER obtains prior approval from the COMMISSION.

**Section 7.05 INSURANCE** The COMMISSION will obtain at its expense, and maintain during the term of this Agreement, insurance against claims for injury to persons or damage to property or the environment which may arise from COMMISSION operations.

**Section 7.06 AMENDMENTS** This Agreement may be amended only by a written instrument, approved by an affirmative vote of the governing bodies of two thirds (2/3) of the MEMBERS, and meeting any requirements imposed by the terms or conditions of any revenue bonds issued by the COMMISSION and related documentation including, without limitation, indentures, trust agreements, resolutions and letter of credit agreements.

**Section 7.07 CONSENT** Notwithstanding the foregoing, no amendment shall require any MEMBER to contribute any funds to, or become directly or contingently liable for any debts, liabilities or obligations of, the COMMISSION, without that MEMBER'S written consent, signed by its duly authorized representative.

**Section 7.08 WITHDRAWAL** MEMBERS may withdraw at any time by providing written notice from the governing body of such MEMBER to the Board; provided that no MEMBER may withdraw if withdrawal would adversely affect a bond or other indebtedness issued by the COMMISSION, except upon a two-thirds (2/3) vote of the full Board. Withdrawal shall be effective upon receipt by the Board of said notice or upon said vote of the Board if required. The withdrawing MEMBER shall continue to be financially responsible for its share of financial obligations and liabilities incurred prior to the effective date of withdrawal. Upon such withdrawal, no withdrawing MEMBER shall be entitled to any distribution or withdrawal of property or funds except as may be agreed to by the Board; however such MEMBER may be entitled to participate in a pro-rated return of surplus money and other surplus personal property upon the dissolution of the COMMISSION based on factors as determined by the Board such as but not limited to the MEMBER'S length of time of participation with and contribution to the COMMISSION.

**Section 7.09 TERMINATION AND DISTRIBUTION** This Agreement continues until terminated by the written consent of a simple majority of the full Board; provided that:

- (a) this Agreement cannot be terminated until such time as all principal of and interest on any bonds and other forms of indebtedness that the COMMISSION may issue are paid in full; and
- (b) this Agreement and the COMMISSION continue to exist following termination for the purpose of disposing of all claims, distributing assets, and all other functions necessary to conclude the obligations and affairs of the COMMISSION.

**Section 7.10 DISTRIBUTION OF FUNDS AND ASSETS FOLLOWING TERMINATION** After completion of the COMMISSION's purposes, any surplus money on deposit in any fund or account of the COMMISSION will be disposed of as required by law. All other property of the Commission, real and personal, shall be divided or disposed of in a manner agreed upon by the Board of Directors. The Board of Directors is vested with all powers of the COMMISSION for the purpose of concluding and dissolving its business affairs.

**Section 7.11 NOTICES** All notices which any MEMBER or the COMMISSION may wish to give in connection with this Agreement shall be in writing and shall be served by personal delivery during usual business hours at the principal office of the MEMBER or the COMMISSION, to an officer or person apparently in charge of that office, or by depositing the same in the United States mail, postage prepaid, and addressed to the MEMBER or the COMMISSION at its principal office, or to such other address as the COMMISSION or MEMBER may designate from time to time by written notice given to the other MEMBERS in the manner specified in this section. Service of notice shall be deemed complete on the day of service by personal delivery (but 24 hours after such delivery in the case of notices of special meetings of the Board) or three (3) days after mailing if deposited in the United States mail. Until changed by written notice to the COMMISSION and the MEMBERS, notice shall be delivered as follows: **[LIST OF ENTITIES HERE]**

**Section 7.12 PROHIBITION AGAINST ASSIGNMENT** No MEMBER may assign any right, claim, or interest it may have under this Agreement. No creditor, assignee or third-party beneficiary of a MEMBER has a right, claim or title to any part, share, interest, fund or asset of the COMMISSION. However, nothing in this Agreement prevents the COMMISSION from assigning any interest or right it may have under the Agreement to a third party.

**Section 7.13 SEVERABILITY** If a portion, term, condition or provision of this Agreement is determined by a court to be illegal or in conflict with any law of the State of California, or is otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions is not affected.

**Section 7.14 LIABILITY OF COMMISSION** Subject to limitations contained in any trust agreement or other documents pursuant to which financing of the COMMISSION is implemented, COMMISSION funds may be used to defend, indemnify, and hold harmless the COMMISSION, any Member, any Director or Alternate Director, and any employee or officer of the COMMISSION for their actions taken within the scope of their duties while acting on behalf of the COMMISSION.

**Section 7.15 GOVERNING LAW** This Agreement will be governed by and construed in accordance with the laws of the State of California.

**Section 7.16 COUNTERPARTS** This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes but one and the same instrument.

**Section 7.17 EFFECTIVE DATE** In accordance with the initial Joint Powers Agreement, this Restated and Amended Joint Powers Agreement shall become effective at the time two-thirds (2/3) of the MEMBERS have approved this Amended and Restated Joint Powers Agreement.

**IN WITNESS WHEREOF**, this Amended and Restated Joint Powers Agreement has been duly considered by the governing bodies of all MEMBERS of the Redwood Region Economic Development Commission and has been approved by the governing bodies of all MEMBERS, and is hereby entered into by the MEMBERS effective as of the date written above.

SIGNATURES APPEAR ON FOLLOWING PAGES