

JOINT POWERS AGREEMENT
BETWEEN SONOMA AND MENDOCINO COUNTIES FOR THE SONOMA MENDOCINO
ECONOMIC DEVELOPMENT DISTRICT

This Joint Powers Agreement (hereinafter referred to as Agreement) is entered into this first day of July 2015, by and between the Counties of Sonoma and Mendocino.

RECITALS

1. Each county is empowered by law to provide economic development planning and to participate in federal programs relating to economic development.
2. Each has a County Economic Development Strategy (CEDS) approved by the Board of Supervisors and Economic Development Administration (EDA).
3. Each party is of the opinion that there should be regional planning for economic development.
4. The purposes for entering into this Agreement include;
 - a. Establishing a regional organization for discussion and evaluation of regional socio-economic problems of mutual interest and concern to Sonoma and Mendocino counties.
 - b. To identify and comprehensively plan for the resolution of regional socio-economic problems requiring multi-jurisdictional resources and cooperation.
 - c. To seek and secure resources to address economic challenges common to it members.
5. The Economic Development Act of 1965, PL 89-136 (13 Code of Federal Regulations Section 304), as amended (hereinafter referred to as the "Act") provides that public agencies may combine to form Economic Development Districts; and
6. The geographical area of the parties represents an Economic Development District for the purposes of the Act; and
7. The parties deem it necessary and proper to create a separate public entity by Joint Powers Agreement to devise and create an organizational and administrative structure for the operation of an economic development district encompassing the geographical territory of the member agencies and to secure approval of the federal government for designation as an Economic Development District pursuant to the Act and to assist member agencies in applying to the federal and state governments for grants, funds and assistance.

DEFINITIONS

“Agreement” means this Joint Power Agreement.

“District” means the Sonoma Mendocino Economic Development District (SMEDD).

“District Board” means the Board of Directors of the SMEDD.

“Director” means a member of the Board of Directors representing a Party.

“Effective Date” means the date on which this Agreement shall become effective and the (SMEDD shall exist as a separate public agency, as further described in Section 3 of this Agreement.)

“Parties” means, collectively, the County of Sonoma and the County of Mendocino.

“Party” means the County of Sonoma or the County of Mendocino.

AGREEMENT

The Board of Supervisors of the Counties of Sonoma and Mendocino do agree as follows:

1. Formation of Agency. Sonoma Mendocino Economic Development District (SMEDD) (hereinafter referred to as the "District") is established upon the execution hereof by all designated Parties.
2. Purpose. The purpose of this Agreement shall be to provide for the joint participation by the parties to:
 - a) Promote economic growth by means of planning and coordinating efforts of members and the private sector within the territorial limits of the members;
 - b) Promote more jobs for the unemployed and underemployed residents of the members;
 - c) To improve the social and physical environments of the members;
 - d) Prevent unnecessary duplication of effort on behalf of members; and
 - e) Assume any additional purposes, duties and functions as may be determined by all parties to this Agreement.
3. Effective Date. This District shall exist as a separate public agency on the date the Mendocino Sonoma Comprehensive Economic Development Strategy is approved by the EDA (“Effective Date”).
4. Governing Board. The District Board is representative of the principal economic interests of the region.
 - a) Directors
 - a. The District Board shall consist of nine (9) Directors who are appointed representatives from the counties of Mendocino and Sonoma.
 - b. Appointments to the District Board shall be made so that said District Board will be representative of, although not necessarily consist of representatives of the principal economic interests of the region and may include business, labor, tribal, government, education, minorities and the economically handicapped.
 - c. The number of Directors of the District Board may be modified by a majority vote of the District Board with the concurrence of both the Mendocino and

Sonoma County Boards of Supervisors, however there shall be a maximum of fifteen (15) members.

- d. Any elected official serving on the District Board who no longer serves in said elected capacity shall upon leaving office vacate his or her position on the District Board. The vacancy shall be filled in accordance with Section 4b below.
 - e. The District Board shall have at least a simple majority of its members who are elected officials, their appointees, or employees representing general purpose local governments, including counties and tribal governments.
 - f. The District Board shall elect from the Directors a Chair and Vice Chair, each of whom shall serve for a term of one year, unless sooner replaced by majority vote of the Board of Directors. The District Board shall conduct the election of officers annually.
 - g. The District Board shall appoint a Secretary who need not be a Director, who shall be responsible for keeping minutes of all meetings of the District Board and all other official records of the District.
 - h. A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with the law.
 - i. A simple majority of the Directors of said District Board shall be required to vote affirmatively for any action in order for said action to be valid and effective.
 - j. Directors shall serve without compensation from the District. However, Directors may be compensated by their respective appointing authorities. The District Board may adopt by resolution a policy related to reimbursement by the District for expenses incurred by Directors.
 - k. Per Government Code § 54956.96(a)(1), all information presented to the Directors in closed session is confidential. However, a member of the Board of a member Party who is present in closed session may disclose information obtained in that closed session that has direct financial or liability implications for the Party's agency to the following individuals:
 - i. Legal counsel of that member Party for purposes of obtaining advice on whether the matter has direct financial or liability implications for that member Party; and/or
 - ii. Other members of the legislative body of the member Party present in a closed session of that member Party.
- b) The governing Board of Directors shall be made up the following members:
- a. Mendocino County Directors: The Mendocino County Board of Supervisors shall appoint four (4) Directors. Three of those Directors shall be from the Mendocino County business community, the Mendocino Economic Development Financing Corporation or Mendocino Workforce Investment Board. Directors may be employees or representative of the Mendocino County.
 - b. Sonoma County Directors: The Sonoma County Board of Supervisors shall appoint four (4) Directors. Three of those Directors shall be from the Sonoma County

business community, the Sonoma County Economic Development Board or Sonoma County Workforce Investment Board. Directors may be employees or representatives of Sonoma County.

- c. The District Board shall have the authority to appoint one Director who shall be selected from the private sector representing the business community.
 - d. Vacancies on the Board. Vacancies shall be filled in the same manner as Directors are selected.
 - e. Director Terms of Office. The terms of office of directors shall be four (4) years and at the pleasure of their respective appointing board of supervisors be re-appointed for four (4) year terms.
5. Powers of Governing Board. The District Board shall have the following powers:
- a. To adopt rules, policies, bylaws and procedures governing the operation of the District;
 - b. To approve an annual budget for the District;
 - c. The District Board shall hold meetings open to the public at least twice each year and shall notice and conduct such meeting in accordance with Ralph M. Brown Act (California Government Code Section 54950 et seq.);
 - d. To delegate to staff to the extent the District Board deems appropriate and is otherwise in accordance with law;
 - e. To enter into contracts and to accept and expend funds from federal, state, member agencies and other sources for the purposes specified herein;
 - f. To prepare, review and update a Comprehensive Economic Development Strategy for the District, establish priorities for grant applications, make annual progress reports to the U.S. Economic Development Administration pursuant to the Act, and make such other reports as may be required or appropriate;
 - g. To assist, upon request, area and local Comprehensive Economic Development Strategy committees of member agencies in the preparation of applications to state and federal agencies for grants, loans, and technical assistance;
 - h. To assist the private sector in making applications for loans, and work with local development corporations to assist the private enterprise in the development of new business and the expansion of existing business.
 - i. To establish advisory committees as deemed appropriate to assist the District in carrying out its functions. The Directors may establish rules, policies or procedures to govern any such advisory committees.
 - j. To work with local committees of member agencies to coordinate programs complying with local community desires;
 - k. To appoint or hire such staff or contract with such entities or individuals as said District Board deems necessary to carry out the District's functions and purposes;

- l. To lease any property; (to enter into leases for real or personal property)
 - m. To amend the geographic boundaries of the District, including the addition of member counties, if it is determined that such amendments will contribute to a more effective program for economic development. Any such modifications may be conditionally approved subject to review and approval of the State and Economic Development Administration in accordance with the Act.
 - n. To review applications of member and other agencies for grants from the U.S. Economic Development Administration. Upon review of such applications, the District Board may establish priorities for funding.
6. Budget. The Fiscal Year for the District shall begin July 1st and end June 30th. An annual budget for the operation of the district shall be adopted by the Board. The Board shall control all expenditures in accordance with the adopted work program and budget and shall have the power to amend the work program and budget to meet unanticipated needs or changed conditions.
7. Financing. It is understood that the Federal Government and Sonoma and Mendocino counties will provide a portion of the District's cost of operation. Counties' contributions are to be determined annually at budget preparation time. Participating county contributions may be in-kind including the provision of staff, office space, equipment and supplies. County contributions shall be paid by parties hereto on or before September 1 of the Fiscal Year for which assessed, or within 30 days of written notice.
8. A review of the districts activities will be included with each Parties Comprehensive Economic Development Strategy Annual Report.
9. Custody of Funds-Reporting - Financial Agent: Financial agent for the District is the County of Sonoma. All revenues and funds received by the District shall be placed in a separate general operating account with Sonoma County under the name Sonoma Mendocino Economic Development District. Sonoma County shall be responsible for completing audits in accordance with local, state and federal reporting and accounting requirements. Sonoma County shall be reimbursed for audit costs.
 - a. All payments of public funds shall be paid to and disbursed by the District which shall be strictly accountable for all funds and responsible for reporting to the members hereof concerning all receipts and disbursements.
 - b. The District and District Directors shall comply with all Federal and State financial assistance reporting requirements and conflict of interest provisions as set forth in 13 CFR III.

10. Donations, Grants and Gifts. The District Board shall have the power to receive bequests, donations and grants and to carry out the purposes of grants and donations if otherwise authorized by this Agreement.
11. Limitations on Expenditures. The Board and every Director or employee of the District shall be limited in the making of expenditures or the incurring of liabilities to the amount of appropriations allowed by the work program and budget as adopted by the Board or thereafter revised by said Board. No expenditures of any kind or contract entered into on behalf of the District without approval by the Board, except as otherwise provided by law, warrants issued, expenditures made or liabilities incurred in excess of any budget appropriation are not a liability of the District or a liability of any part to this Agreement.
12. Members Not Liable for Debts of District. Pursuant to Section 6508.1 of the California Government Code, the debts, liabilities, and obligations of the District shall be those of the District and not of the parties to this Agreement.
13. Term of Agreement and Termination Provisions. This Agreement shall continue in full force and effect until rescinded or terminated, as set forth below.
 - (A) Termination of Individual Membership. Any member Party may terminate its participation in this Agreement by giving written notice to the District Board not less than thirty (30) days before the start of the fiscal year, which termination shall be effective only on the beginning of the fiscal year immediately following the one in which notice of termination was given, and thereby dissolve the District.
 - (B) If a member County terminates its participation in this Agreement, it shall pay its portion of the costs for which it is responsible for paying up to the date of termination. Any payments due under this section shall be paid within ninety (90) days after the effective date of termination.
 - (C) Termination of this Membership by any member County shall not be construed as a completion of the purpose of this Agreement, and shall not require the repayment or return to the remaining member County or Counties of all or any part of any contributions, payments, or advances made by the parties until this Agreement is rescinded or terminated as to all member counties.
 - (D) Rescission of Agreement by All Member Counties. At any time, this Agreement may be rescinded and terminated, and the SMEDD may be dissolved, by a unanimous vote of all Parties. In such an event, the remaining assets and liabilities

shall be apportioned among all member counties according to the relative assessments paid by those member counties.

14. Disposition of Property Upon Termination. In the event that said District is terminated by agreement, the property and monies on hand at the time of termination after all debts and liabilities are paid shall be distributed among the parties then Parties of said District in accordance with their proportionate contributions thereto. Any member who withdraws from said District shall forfeit all of its right, title and monies.
15. Members Option to Bypass District. It is the option of Parties to submit U.S. Economic Development Administration grant applications through the District to the Economic Development Administration, or directly to the Economic Development Administration, bypassing District.
16. Amendment. This Agreement may be amended at any time by the mutual written agreement of all the Parties thereof.
17. Execution by Counterparts. This Agreement shall be executed in counterpart and when so executed by each and every Party hereto shall be deemed to be executed by all Parties as if it were a single document. Executed counterparts shall be delivered forthwith to the District. Said executed counterparts shall be retained by District and the District shall distribute to all other Parties' copies of said original counterparts as said other parties' executed copies.
18. Dispute Resolution. The Parties to this Agreement and the District shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement.
19. Liability of District Directors, Officers, and Employees. The District Directors, officers, and employees of the District shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former District Director or employee will be responsible for any act or omission by another District Director or employee. The District shall defend, indemnify and hold harmless the individual current and former District Directors and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Sections 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the District or its District Directors, or employees.
20. Indemnification of Parties. The District shall acquire such insurance coverage as is necessary to protect the interests of the District, the Parties, and the public. The District shall defend, indemnify, and hold harmless the Parties and each of their respective District

Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the District under this Agreement.

21. Parties to be Served Notice. Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage if prepaid with return receipt requested, or by a recognized courier service. Notice given personally or by courier shall be conclusively deemed received at the time the delivery and receipt and by mail shall be conclusively deemed given forty-eight (48) hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be delivered to the Secretary of the District or Party, as the case may be, or such other person designated in writing by the District or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the District shall be copied to all Parties.
22. Severability. If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

IN WITNESS WHEREOF, the undersigned counties and cities of the State of California do execute the Memorandum of Understanding/Letter Agreement upon the respective dates set forth after signatures.

COUNTY OF SONOMA

By: _____ Date: _____

COUNTY OF MENDOCINO

By: _____ Date: _____