

CHAPTER 14
SUB-ANALYSIS

PROVIDING FOR THE CREATION OF A JOINT POWERS AUTHORITY BETWEEN CITIES OF VIRGINIA AND EVELETH PROVIDING FOR THE DEVELOPMENT OF PROPERTY LOCATED BETWEEN SAID CITIES

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CHAPTER 14

PROVIDING FOR THE CREATION OF A JOINT POWERS AUTHORITY BETWEEN CITIES OF VIRGINIA AND EVELETH PROVIDING FOR THE DEVELOPMENT OF PROPERTY LOCATED BETWEEN SAID CITIES

SECTION 14.01.

That the parties to this Agreement are governmental units of the State of Minnesota. This Agreement is made and entered into pursuant to Minnesota Statutes Section 471.59.

ARTICLE I - GENERAL PURPOSE

The general purpose of this Agreement is to create an organization by which the parties may jointly and cooperatively facilitate economic development and redevelopment in a certain Project Area as defined herein, all pursuant to Minnesota Statutes, Sections 469.090 to 469.108.

ARTICLE II - DEFINITIONS

Section 1. For the purposes of this Agreement the terms defined in Article II have the meanings given them, unless the context clearly requires otherwise.

Section 2. Act" means Minnesota Statutes, Sections 469.090 to 469.108 and Sections 469.174 to 469.179.

Section 3. Agreement" means this Agreement.

Section 4. Board" means the Board of Commissioners created by Article IV

Section 5. City" means the City of Virginia, Minnesota and the City of Eveleth, Minnesota, as the context requires.

Section 6. Council" means the City Council of a City.

Section 7. "Commissioner" means a commissioner or alternate commissioner appointed under Article IV of this Agreement.

Section 8. "Governing Body" means the Board of Commissioners of a Member.

Section 9. "Member" means a governmental unit which is a party to this Agreement and is in compliance with and in good standing under this Agreement.

Section 10. "Project Area" means the property described in Exhibit A hereto.

Section 11. "Virginia/Eveleth Economic Development Authority ("VEEDA") means the organization established by this Agreement.

ARTICLE III - MEMBERSHIP

The Members of VEEDA are the Virginia Economic Development Authority and the Eveleth Economic Development Authority.

ARTICLE IV - BOARD OF COMMISSIONERS

Section 1. The governing body of VEEDA is its Board of Commissioners, which consists of seven voting Commissioners. Each Member must appoint three Commissioners to the Board and three alternates. One of the three Commissioners must serve on the Council of the Member's City (and may or may not serve on the Member's Governing Body). The other two Commissioners must serve on the Member's Governing Body. These six Commissioners shall collectively appoint one Commissioner and one alternate, hereafter referred to as the "at large Commissioner" and the "at large alternate, " respectively. The at large Commissioner and alternate may be any resident of either City.

Section 2. Alternate Commissioners shall either have the same qualifications as Commissioners, or (except in the case of the at large alternate) be employed as staff of a Member or the Member's City. The alternate Commissioner may attend meetings of the Board and may vote in the Commissioner's absence.

Section 3. Commissioners (except the at large Commissioner) are appointed by resolution of the Governing Body of a Member. The at large Commissioner is appointed by resolution of the six appointed Commissioners at the organizational meeting. Appointing resolutions must be filed with the secretary-treasurer accompanied by each Commissioner's address for purposes of notice.

Section 4. The executive director of each Member shall serve as a non-voting exofficio Commissioner. The ax-officio Commissioners may attend meetings and shall receive all notices and mailings given to voting Commissioners.

Section 5. The term of a Commissioner is one year. The terms of Commissioners initially appointed expire on December 31, 1994. Commissioners serve until their respective successors are appointed and qualify.

Section 6. A Commissioner may be removed from the Board at any time, with or without cause, by resolution of the Governing Body making the appointment. The resolution removing the Commissioner must be filed with the secretary-treasurer.

Section 7. A vacancy on the Board is filled in the same manner that an appointment of a Commissioner is made.

Section 8. Commissioners may not vote by proxy.

Section 9. A Commissioner may not vote if the Board determines that the Member represented by the Commissioner is not in compliance with this Agreement or if the Commissioner has been removed from the Board.

ARTICLE V - MEETINGS

Section 1. The Commissioners must conduct an organizational meeting no later than 30 days after the effective date of this Agreement. At the organizational meeting, or as soon thereafter as is reasonably possible, the Board must appoint the at large Commissioner, elect its officers and adopt such by-laws and other procedures governing the conduct of its meetings and its business as it deems appropriate.

Section 2. The Board must conduct an annual meeting at a date and place specified in its by-laws to elect officers and to undertake such other business as may properly come before it. The Board may provide for a schedule of regular meetings. A regular meeting must be held once in each calendar quarter in the year 1994 and thereafter as provided by the by-laws.

Section 3. A special meeting of the Board may be called by the president or by the secretary-treasurer upon written request of such number of Commissioners as specified by the by-laws. Notice of a special meeting must be mailed to Commissioners at least five days prior to the special meeting and in accordance with law. Business at special meetings is limited to matters contained in the notice of the special meeting.

Section 4. Commissioners serve without compensation from VEEDA or any Member.

Section 5. At least four voting Commissioners constitute a quorum of the Board. Attendance by a quorum of the Board is necessary for conducting a meeting of the Board.

ARTICLE VI - OFFICERS; COMMITTEES

Section 1. The officers of the Board are a president, vice president and secretary treasurer elected for a term of one year by the Commissioners at the organizational meeting and at the annual meeting. The Board may designate Commissioners to act as officers in the absence of an officer.

Section 2. The president presides at meetings of the Board. The secretary-treasurer is responsible for records of proceedings of the Board, the funds and financial records of the Board, and such other matters as may be delegated to the secretary-treasurer by the Board.

Section 3. The president and the secretary-treasurer must sign vouchers or orders disbursing funds of the VEEDA. Disbursement must be made in the method prescribed by law for economic development authorities.

Section 4. The Board may in its by-laws provide for and define the duties of such other officers as it determines necessary from time to time.

Section 5. The Board may in its by-laws provide for such committees as it determines necessary from time to time. A by-law providing for an executive committee and defining the powers and duties of an executive committee may be adopted only by a favorable vote of all Commissioners of the Board.

ARTICLE VII - POWERS AND DUTIES

Section 1. The Board has the powers and duties to facilitate and promote economic development and redevelopment within the Project Area pursuant to the Act, subject to the following terms and conditions:

(a) Exercise of any powers by the Board under the Act is subject to all terms and conditions applicable to either Member under the enabling resolution (as defined in the Act) that established each Member, including but not limited to any approvals by the Council of each City that may be required for action by any Member under such enabling resolution.

(b) For the purposes of the Act, VEEDA constitutes an "authority" as defined in the Act, and any action of an authority requiring approval by the governing body of a city under the Act requires approval of the Councils of both Member Cities.

(c) The Board has no jurisdiction or powers outside the boundaries of the Project Area, as such area may be amended from time to time.

(d) The Board has no power or authority to issue bonds or other obligations.

Section 2. Consistent with this Agreement and the Act, the Board may:

(a) acquire, own, lease, exchange, transfer, sell or otherwise dispose of real and person property;

(b) enter into contracts necessary to carry out the purposes of VEEDA;

(c) contract to purchase space, goods or services from either Member; and

(d) do all things necessary and convenient to carry out the purposes of this Agreement.

ARTICLE VIII - FINANCIAL MATTERS

Section 1. The fiscal year of VEEDA is the calendar year.

Section 2. The Board must adopt an annual budget prior to July 1 of each year. The Board must give each Member a reasonable opportunity to comment or object to the proposed budget before adoption. Notice of the adopted budget must be mailed promptly thereafter to the chief administrative officer of each Member. The budget is deemed approved by each Member unless a Member gives written notice to the secretary-treasurer that the Member is withdrawing at the end of the year as provided in Article X.

Section 3. Operational and capital costs are to be shared according to methods agreed upon by unanimous vote of the Board. Those methods may include membership dues and fees, charges for services to Members and charges for capital costs to Members.

Section 4. Billings to VEEDA Members are due and payable no later than 30 days after mailing. In the event of a dispute as to the amount of a billing, a Member must nevertheless make payment as billed to preserve membership status. The Member may make payment subject to its right to dispute the bill and exercise any remedies available to it. Failure to pay a billing within 60 days results in suspension of voting privileges of the Member's Commissioner. Failure to pay a billing within 120 days is grounds for termination of membership, but VEEDA's rights to the billing are not affected by termination of membership.

Section 5. The Board must provide in the by-laws for the reporting to the Members of the receipts and disbursements and the financial condition of the organization at regular intervals" not less than quarterly.

ARTICLE IX - WITHDRAWAL

Section 1. A Member may withdraw from the VEEDA no later than 30 days after the adoption of the budget by giving written notice to the secretary-treasurer. The notice shall be accompanied by a certified copy of a resolution adopted by the governing body of that Member authorizing its withdrawal from membership. The "withdrawal is effective at the end of the calendar year in which notice is given.

Section 2. The withdrawal of a Member does not affect that Member's obligation to pay fees, charges or contractual charges for which it is obligated under this Agreement.

ARTICLE X - DISSOLUTION; AMENDMENT

Section 1. VEEDA may be dissolved by unanimous approval of its Members in good standing. Dissolution is mandatory when the secretary-treasurer has received certified copies of resolutions adopted by the Governing Bodies of both Members and the Councils of both Cities requesting dissolution of the VEEDA.

Section 2. In the event of a dissolution, the Board must determine the measures necessary to effect the dissolution and must provide for the taking of such measures as promptly as circumstances permit, subject to the provisions of this Agreement and law.

Section 3. In the event of dissolution and following the payment of all outstanding obligations, assets of VEEDA will be distributed between the Members in direct proportion to their cumulative annual membership contributions. If those obligations exceed the assets of the VEEDA, the net deficit of the VEEDA will be charged to and paid by the then existing Members in direct proportion to their cumulative annual membership contributions.

Section 4. This Agreement, including the boundaries of the Project Area, may be amended by mutual written agreement approved by the Governing Body of both Members and the Council of both Cities. Any such amendment is effective in accordance with the terms of Article XI.

ARTICLE XI - EFFECTIVE DATE; DURATION

This Agreement continues in effect indefinitely unless terminated in accordance with its terms. This Agreement is effective on the day that executed copies of this Agreement accompanied by the resolutions authorizing its execution approved by Council of each City and the Governing Body of each Member are filed by the Members with the City Clerk/Finance Director of the City of Virginia."