

**JOINT EXERCISE OF POWERS AGREEMENT CREATING
THE EAST VALLEY COALITION JOINT POWERS AUTHORITY**

This Joint Exercise of Powers Agreement (“Agreement”) is made and entered into this ____ day of _____, 2017 by and between the County of Riverside, the Cities of Coachella, Indio and La Quinta , the Imperial Irrigation District, a state agency, and the Cabazon Band of Mission Indians. The entities above are sometimes referred to in this Agreement individually as “Party” and collectively as “Parties.

RECITALS

A. The County of Riverside (“County”), the Imperial Irrigation District (“District”) and the cities of Coachella (“Coachella), Indio (“Indio”) and La Quinta (“La Quinta”) are public agencies authorized and empowered to contract for the joint exercise of powers under Articles 1 through 4, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California,

B. The Cabazon Band of Mission Indians, a federally recognized Indian tribe (“Cabazon Tribe”) is empowered and authorized to contract on their own behalf and as well as to contract for the joint exercise of powers under Articles 1 through 4, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California,

C. The Parties have determined that there exists a need to stimulate private investment in business and industrial growth in economically depressed areas within the boundaries of the Parties.

D. The Parties share various powers relating to the management, coordination, marketing and administration of economic development programs and projects and desire to jointly exercise such power within the eastern Coachella Valley.

E. The Parties desire to establish a separate public agency in order to manage, coordinate, market and administer economic development programs and projects.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. In addition to the other terms defined herein, the following terms, whether in the singular or in the plural, when used herein and capitalized shall have the meanings specified below unless the context clearly requires otherwise:

1.1.1 "Agreement" means this joint exercise of powers agreement, as originally entered into or as amended from time to time in accordance with Section 14.6 hereof.

1.1.2 "Authority" means the East Valley Coalition Joint Powers Authority duly organized and validly existing pursuant to the laws of the State of California.

1.1.3 "Executive Committee" means the East Valley Coalition Joint Powers Authority Executive Committee referred to in Section 4.1 hereof, which shall be the governing body of the Authority.

1.1.4 "Fiscal Year" means the fiscal year of the Authority as established from time to time by the Executive Committee by resolution, being at the date of this Agreement the period from July 1 in any calendar year to and including June 30 in the succeeding calendar year.

1.1.5 "Joint Powers Law" means the Joint Exercise of Powers Act, Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended from time to time.

1.1.6 "Liability Share" means, with respect to any Member, the amount of a judgment for damages divided by the number of Members at the time the act or omission occurred, unless any portion of the judgment arises from an act or omission directly related to the studying, planning, financing, developing, acquiring, purchasing, construction, reconstructing, implementing, improving, enlarging, enhancing, operating, maintaining, selling, disposing of, or decommissioning of any project undertaken by the Authority under this Agreement, in which case, with respect to such portion, the term "Liability Share" shall mean, with respect to any Member, the amount of such portion multiplied by a fraction equal to (1) such Member's entitlement or right, if any, to participate in such project at the time the act or omission occurred, divided by (2) the aggregate amount of all Member's entitlements or rights to participate in such project at the time the act or omission occurred.

1.1.7 "Local Agency" means each of the Members, any agency or subdivision of a Member, and any other city, county, city and county, authority, district, or public corporation of the State of California.

1.1.8 "Members" means, collectively, all of the parties to this Agreement, which parties shall initially consist of the County, District, Coachella, Indio, La Quinta, Palm Desert and Cabazon Tribe, and which shall include all additional parties hereto that become Members pursuant to the provisions of Section 8.1 hereof; provided, however, that the term "Member" shall not include any entity which shall have withdrawn or been excluded from the Authority pursuant to Section 11.2 hereof.

1.1.9 "Partners" means a non-Member agency or private entity that desires to be part of the Authority in an advisory capacity as further described in this Agreement provided that the Partner has been accepted into the Authority by the unanimous vote of the Executive Committee and payment to the Authority of all fees, contributions and/or expenses set by the Executive Committee for Partner membership.

1.1.10 "Public Agency" has the meaning given to the term "public agency" in Article 1 of the Joint Powers Law.

1.1.11 "Territorial Boundaries" means the lands situated within the unincorporated areas of the Coachella Valley situated in the County of Riverside, the lands situated within the jurisdictional boundaries of the cities of Coachella, Indio, La Quinta and Palm Desert.

ARTICLE 2 PURPOSE AND CREATION

2.1 Effective Date. This Agreement shall become effective on the date this Agreement is approved by the last legislative body of a Member and such date shall be inserted in the first paragraph of this Agreement. (“Effective Date”).

2.2 Purpose. This Agreement is made pursuant to the Joint Powers Law providing for the joint exercise of powers common to the Members for the purpose of managing, coordinating, marketing, and administering economic development programs and projects in Coachella Valley within the Territorial Boundaries. Other purposes of this Agreement include implementing joint marketing programs, development of a comprehensive economic plan and implementation strategy, act as a clearinghouse for small business assistance to aid start-up and business expansion efforts within the Territorial Boundaries, serve as a one-stop assistance center for various development needs, services, job creation efforts and other economic development incentives, seek private sector, federal, state and local funds to further the purposes of the Authority, coordinate with the private sector for input into financial programs, development programs and other Authority projects, conduct any transactions or functions authorized by the Joint Powers Law and other laws, and perform such other functions as may be deemed necessary and appropriate to meet the purposes and objectives of the Authority.

2.3 Creation of Authority. There is formed as of the Effective Date a public agency named the East Valley Coalition Joint Powers Authority. Pursuant to the Act, the Authority is a public entity separate and apart from the Parties. Pursuant to Government Code Section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any Party.

ARTICLE 3 POWERS OF AUTHORITY

3.1 Powers. The Authority shall have all the powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all act necessary and property to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:

3.1.1 To make and enter into contracts, leases and other agreements, including purchasing of insurance, office supplies and equipment.

3.1.2 To employ agents, employees, consultants, advisors, independent contractors and other staff subject to compliance with California Government Code Section 6522.

3.1.3 To sue and be sued in its own name.

3.1.4 To incur debts, liabilities or obligations, which do not constitute a debt, liability or obligation of any Member.

3.1.5 To receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations, and governmental entities, provided that the Authority consents to such gifts, contributions and donations;

3.1.6 To fix the compensation, if any, paid to its officers, employees and contractors, in compliance with all applicable laws;

3.1.7 To prescribe the duties, compensation and other terms and conditions of employment of other agents, officers and employees;

3.1.8 To adopt reasonable rules and regulations for the conduct of the day-to-day operations of the Authority;

3.1.9 To apply for, accept, receive and disburse grants and other aid from any agency of the United States of America or of the State of California;

3.1.10 To invest any money in the treasury that is not required for the immediate necessities of the Authority pursuant to Government Code section 6509.5.

3.1.11 To receive and use contributions and advances as provided in Section 6504 of the Joint Powers Act, including contributions or advances of personnel, equipment or property.

3.1.12 To carry out and enforce all provisions of this Agreement; and

3.1.13 To exercise any and all powers that are provided for in the Act and in Section 6588 of the Government Code, as they exist on the Effective Date of this Agreement or may hereafter be amended, except that the Authority shall not have the power to authorize or issue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584)); acquire or dispose of real property except for a lease to provide office space for the Authority; nor exercise any land use authority.

3.2 Limitation on Powers. As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the County of riverside and any other restrictions on exercising the powers of the Authority that may be adopted by the Executive Committee.

ARTICLE 4 GOVERNANCE AND INTERNAL ORGANIZATION

4.1 Executive Committee. The governing body of the Authority shall be an Executive Committee and shall be known as the "Executive Committee of the East Valley Coalition." Except as otherwise provided for in this Agreement, the powers of the Authority shall be vested in and exercised by the Executive Committee, which shall have all powers without limitation to conduct all business and activities of the Authority.

4.2 Appointment. Each Member shall designate and appoint by resolution or minute order of its governing body the following: (a) one person to serve as its representative on the Executive Committee ("EC Representative"); and (b) one person to serve as an alternate that is authorized to attend, participate in and vote at any meeting of the Authority Executive Committee, when its regular representative is absent ("Alternate"). The EC Representative and Alternate of a Member that is a municipality shall be shall be a current member of that Member's legislative body. The EC Representative and Alternate of a Member that is an entity that is not a municipality shall be an employee of the appointing Member. The EC Representative and Alternate shall serve at the pleasure of the Member that appointed him or her and may be removed at any time by the legislative body of the appointing Member.

4.3. Membership. Each EC Representative and Alternate shall serve for a term of two (2) years.

4.4. Powers of the Executive Committee. All the power and authority of the Authority shall be exercised by the Executive Committee. The Executive Committee shall conduct or authorize to be conducted all business and activities of the Authority consistent with this Agreement, Authority documents (i.e. resolutions, duly adopted motions, etc.) and applicable law.

4.5. Provision for Bylaws. The Executive Committee may cause to be developed and may adopt, from time to time, such bylaws for the Authority to govern its operations. Each Member shall receive a copy of any bylaws developed and adopted under this Section.

4.6. Compensation and Expenses. EC Representatives and Alternates shall not receive any compensation from the Authority for their service on the Executive Committee. However, the Executive Committee may, by resolution, adopt a policy for the reimbursement actual and necessary expenses incurred in the performance of official duties for the Authority.

4.7. Advisory Boards and Committees. The Executive Committee may establish any advisory commissions, board and committees as the Executive Committee deems appropriate to assist it in carrying out its functions and implementing the purpose of the Authority and the provisions of this Agreement.

4.8. Management Committee. The Executive Committee may appoint, if deemed necessary by a majority vote of the Executive Committee, a Management Committee consisting of a staff member employed by each Member as designated by the respective EC Representative, for purposes of advising the General Manager and/or the Executive Committee on any issues related to the implementation of the purposes of the Authority (hereinafter referred to "Manager"). In addition, an alternate representative to the Manager may also be appointed and such alternate shall attend any meetings when the Manager is not available. The person(s) so appointed shall possess technical expertise in the area of economic development.

4.9. East Valley Coalition Board of Directors. The Executive Board may appoint an advisory board named the "East Valley Coalition Board of Directors" consisting of any number of Partners to advise the Executive Committee on matters regarding the managing, coordinating, marketing, and administering economic development programs and projects in Coachella Valley within the Territorial Boundaries of the Authority. At least ___ members of the Executive Committee shall be a member of the East Valley Coalition Board of Directors. In order to provide guidance on the governance and operation of the East Valley Coalition Board of Directors, the Executive Committee may cause to be developed and may adopt by resolution, from time to time, bylaws or other regulations for such purposes. Each member of the Board of Directors shall receive a copy of any bylaws or regulations developed and adopted under this Section. Notwithstanding, meetings of the East Valley Coalition Board of Directors shall be conducted in accordance with Section 54950 et. seq. of the Government Code and any and all laws governing public meetings.

ARTICLE 5

MEETINGS OF THE EXECUTIVE COMMITTEE

5.1 Meetings. The Executive Committee shall hold regular meetings, but shall not meet less frequently than one (1) time per calendar year. The Executive Committee may hold special meetings as needed to carry out the purposes and objectives of the Authority. The date, hour and place of the regular meetings shall be fixed by the Bylaws or resolution of the Executive Committee and filed with the governing body of each of the Members.

5.2 Ralph M. Brown Act. All meetings of the Executive Committee, including without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act, commencing with section 54950 et. seq. of the California Government Code, as may be amended from time to time.

5.3 Quorum. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time.

5.4 Voting. Each member of the Executive Committee shall have one vote. Except as otherwise provided by law or by this Agreement, all actions of the Executive Committee shall be approved by the affirmative vote of a majority of the EC Representatives present.

5.5 Minutes. The Secretary of the Authority shall cause minutes of regular, adjourned regular, and special meetings to be kept and, as soon as possible after each meeting, shall cause a copy of the minutes to be forwarded to each EC Representative and to each Member.

5.6 Rules. The Executive Committee may adopt from time to time policies, procedures, rules or regulations, for the conduct of its affairs as it deems necessary.

ARTICLE 6 OFFICERS

6.1 Chair. The Executive Committee shall one of its representatives as Chair of the Executive Committee. The Chair shall preside at all meetings and shall perform such other duties as are specified by the Executive Committee. The term of office for the Chair shall be one year.

6.2 Vice Chair. The Executive Committee shall elect one of its members as Vice Chair. The term of office for the Vice-Chair shall be one year. The Vice-Chair shall perform all the duties of the Chair in the absence of the Chair or in the event the Chair is unable to perform his or her duties and shall perform such other duties as are specified by the Executive Committee. The position of Vice Chair shall automatically rotate into the position of Chair after the completion of Chair's term and a new Vice Chair shall be appointed by the Executive Committee. The Executive Committee shall appoint a Vice Chair who was not been previously appointed, unless all current EC Representatives have either served or have been offered an appointment and declined to serve. If a Member replaces a Representative who serves as Chair or Vice Chair, the new Representative shall automatically accede to the post of his or her predecessor.

6.3 Secretary. The Executive Committee shall select a Secretary who shall serve at the pleasure of the Executive Committee. The Secretary need not be a member of the Executive

Committee. The Secretary shall be responsible for keeping the minutes and other records of the proceedings of the Executive Committee including maintaining all other official records of the Authority and shall perform such other duties as the Executive Committee specifies.

6.4 Treasurer. The Executive Committee shall appoint a qualified person to act as the Treasurer, who need not be a member of the Executive Committee. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Treasurer shall report directly to the Executive Committee and shall comply with the requirements of treasurers of incorporated municipalities. The Executive Committee may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

6.5 Auditor. The Executive Committee shall appoint a qualified person to act as the Auditor, who shall not be a member of the Executive Committee. The Executive Committee may require the Auditor to file with the Authority an official bond in an amount to be fixed by the Executive Committee, and if so requested the Authority shall pay the cost of premiums associated with the bond. A report of the financial audit shall be filed as a public record with each Party. The Authority shall pay the cost of the financial audit in the same manner as other administrative costs.

6.6 Official Bond. Pursuant to Government Code section 6505.1, the public officer, officers or persons who have charge of, handle or have access to any property of the Authority shall file an official bond in an amount to be fixed by the Executive Committee.

6.7 Other Officers and Employees. The Executive Committee shall have the power to create and appoint and/or employ, by contract or otherwise, a General Manager and such other officers, employees, consultants and independent contractors as it may deem necessary to carry out the business of the Authority, any of whom may be employees of a Member, and who shall have such powers, duties and responsibilities as are determined by the Executive Committee and whom shall hold office for such period as the Executive Committee may authorize or determine.

6.8 Privileges and Immunities. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents or employees of a public agency when performing their respective functions shall apply to them in the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement.

None of the officers, agents, or employees directly employed by the Authority shall be deemed, by reason of their employment by the Authority, to be employed by any of Members or, by reason of their employment by the Authority, to be subject to any of the requirements of any of the Members.

6.9 Official Bond. Pursuant to Government Code section 6505.1, the public officer, officers or persons who have charge of, handle or have access to any property of the Authority shall file an official bond in an amount to be fixed by the Executive Committee, and if so requested the Authority shall pay the cost of premiums associated with the bond.

6.10 Conflict of Interest Code. The Authority by resolution shall adopt by reference a Conflict of Interest Code as required by the Political Reform Act, commencing with Section 81000 of the California Government Code.

ARTICLE 7 EXPANSION OF THE AUTHORITY

7.1 Additional Members.

7.1.1 Additional entities that qualify to join a joint powers authority under the Joint Powers Law may become a party to this Agreement at any time by: (a) a unanimous vote of the Executive Committee; (b) approval of this Agreement by the legislative body of the new party; (c) approval of an amendment to this Agreement by the legislative body of each current Member; and (d) payment to the Authority of all fees, contributions, and/or expenses set by the Executive Committee for the purpose of sharing all costs and expenses.

7.1.2 Partners may become a member of the East Valley Coalition Board of Directors at any time by: (a) submittal of an application in the form provided by the Authority; (b) approval of the application by a unanimous vote of the Executive Committee; and (c) payment to the Authority of all fees, contributions, and/or expenses set by the Executive Committee for Partners.

7.2. Continuing Participation. The Parties acknowledge that Authority membership may increase or decrease by the addition and/or withdrawal of a Member. The Parties agree to participate with such other Parties as may later be added. The Parties also agree that the withdrawal of a Party shall not affect this Agreement or the remaining Parties' continuing obligations herein.

ARTICLE 8 FINANCING AND BUDGETING

8.1 Fiscal Year. The first fiscal year of the Authority is the period from the Effective Date through June 30, 2018. Thereafter, the fiscal year of the Authority shall be the period commencing on July 1 of each year and ending on and including the following June 30.

8.2 Minimum Mandatory Contribution. Each Member and Partner shall contribute annually a minimum monetary contribution of \$_____ ("Minimum Contribution") billed at the beginning of the fiscal year, payable either in whole or quarterly as determined by the Executive Committee. It is understood that as of the Effective Date of this Agreement, the Parties to this Agreement have already made an annual contribution of \$_____ either in whole or in part under an existing "Memorandum of Understanding" and that said monies will be transferred to the Authority upon this Effective Date of this Agreement. Accordingly, the annual contribution made by the Member and/or Partner pursuant to that Memorandum of Understanding shall be credited (in a pro-rata amount) towards the Member's Minimum Contribution under the first fiscal year of the Authority and to the extent necessary, the fiscal year immediately following the first.

8.3 Annual Contributions. Annually, and prior to July 1 of each year, the Executive Committee may determine that an increase to the Minimum Contribution is warranted. In such

case, the increase may be established if it is approved by a unanimous vote of the Executive Committee and by the legislative body of each Member. If so approved, that amount will be paid by the Members, including Partners. If the increase is not approved in the manner provided for herein, the amount of the annual contribution to be paid by the Member shall default to the Minimum Contribution level established by Section 8.2. The Executive Committee may adopt a cost sharing formula for determining contributions from its Members, including Partners. Once established, the annual contribution is payable in quarterly payments or such other payment schedule as established by the Executive Committee.

8.4 Budget. The Executive Committee shall adopt a budget for the first fiscal year as soon as practicable after the formation of the Authority. For each subsequent year, the Executive Committee shall adopt an annual budget no later than 30 days prior to the beginning of each fiscal year. Nothing in this Section shall prevent the Authority from approving a two-year budget. In the event the Executive Committee fails to timely approve a budget due to a tie vote or any other reason, then the prior year's annual budget shall automatically continue in effect – with a cost of living adjustment for expenditures to reflect the prior year's change in the Consumer Price index for all Urban Consumers for the Western Urban Area as of April 1 as reported by the U.S. Bureau of Labor Statistics – until the Executive Committee adopts a new, superseding budget. This budget shall be adopted by a majority vote of all members of the Executive Committee, and is not subject to approval or ratification by the governing bodies of the Parties.

8.5 Dispersal of Funds. Funds may not be disbursed by the Authority without approval of the adopted budget as specified in this Article 9 and all receipts and disbursements shall be in strict conformance with the adopted and approved budget.

8.6 Accounting. The Authority is responsible for the strict accountability of all funds and reports of all receipts and disbursements. It will comply with all provisions of law relating to the establishment and administration of funds, including, but not limited to, Section 6505 of the Government Code.

8.7 Additional Contributions and Advances. Pursuant to Government Code Section 6504, the Members may in their discretion make financial contributions, loans or advances to the Authority for the purposes of the Authority set forth in this Agreement. The repayment of such contributions, loans or advances will be on the written terms agreed to by the Member making the contribution, loan or advance and the Authority.

ARTICLE 9 SPECIAL PROJECTS

9.1 Special Projects. The Executive Committee may approve and establish certain special projects that serve a specific objective and may involve all or a limited number of the Parties. For each approved special project, the Executive Committee shall establish a separate project budget and the participating Members shall execute a separate special project agreement to provide for additional project-specific contributions, obligations, and rights of the participating Parties and the Authority. A sub-committee for the special project shall consist of the Manager or the EC Representative, at the EC Representative's discretion, of each participating Member.

9.2 Written Approval. No Member may participate in a special project without written approval the Member's governing body in the form of a certified resolution or minute order. The governing body of the Member must approve their involvement in the special project and any additional contribution to the special project budget.

ARTICLE 10
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ARTICLE 11
TERM; WITHDRAWALS; DISSOLUTION

11.1 Term. This Agreement shall become effective and the Authority will come into existence as a separate public agency on the Effective Date. This Agreement shall thereafter continue in full force and effect until terminated as provided for herein. Notwithstanding, this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to conclude the affairs of the Authority. The withdrawal of a Member shall not terminate that Member's responsibility to contribute to its share of any obligation incurred by the Executive Committee, including amounts determined by the Executive Committee for (1) liabilities and claims accrued during the time the agency was a Member Agency or (2) budgeted expenses for the Fiscal Year in which notice of intent to withdraw is given if such contribution has been approved by the Member as provided for this Agreement

11.2 Withdrawal or Exclusion of a Member.

11.2.1 Any Member may withdraw from the Authority by filing with the Executive Committee a certified copy of a resolution of its governing body expressing its desire to so withdraw at least six (6) months prior to the close of a fiscal year. The withdrawal shall be effective at the end of the fiscal year. A Member's withdrawal shall not relieve the withdrawing Member of its financial obligations previously incurred by it under this Agreement. Upon withdrawal of a Party from the Authority, the withdrawing Party shall not receive any of the assets of the Authority unless the Authority is dissolved and the assets are distributed. Notwithstanding, if the Minimum Contribution has already been paid, the Member is not entitled to a refund upon withdrawal.

11.2.2 Upon compliance with the conditions specified in Section 11.2.1 above, the withdrawing Member shall no longer be considered a Member for any reason or purpose under this Agreement and its rights and obligations under this Agreement shall terminate. The withdrawal of a Member shall not affect any obligations of such Member under any contract between the withdrawing Member and the Authority.

11.2.3 Any Member which has (1) defaulted under a contract with the Authority, or (2) failed to pay any required contributions, payments or advances in accordance with this Agreement may have its rights under this Agreement terminated and may be excluded from participating in the Authority by a vote of a majority of the members of the Executive Committee voting on the matter (excluding from voting the member(s) of the Executive Committee, if any, representing the defaulting Member). Any excluded Member shall continue to be liable for its obligations under any contract with the Authority and for any unpaid contribution, payment or advance approved by the Executive Committee if such unpaid contribution, payment or advance was approved prior to such Member's exclusion.

11.2.4 No withdrawal from membership pursuant to Sections 11.2.1 or exclusion from participation pursuant to Section 11.2.3 hereof shall constitute an amendment or modification of this Agreement for purposes of Section 14.6 hereof.

11.4 Dissolution. Upon the dissolution or termination of the Authority, and after payment or provision for payment, all debts and liabilities, the assets of the Authority may be sold and the proceeds thereof distributed to the Parties in proportion to each Party's contributions to the Authority.

ARTICLE 12 LIABILITY, INDEMNITY AND INSURANCE

12.1 Liability of Executive Committee Members, Officers or Employees.

12.1.1 The members of the Executive Committee, Management Committee, and officers and employees of the Authority 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 member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or premium or interest on any obligations of the Authority or be subject to any personal liability or accountability by reason of any obligations of the Authority, but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by the instruments authorizing the issuance of any obligations of the Authority. Nothing contained in this Agreement shall in any way diminish the liability of any Member or other party with respect to any contract between such Member or other party and the Authority.

12.1.2 If any Executive Committee or Management Committee member or any officer or employee of the Authority shall be sued, either alone or with others, because he or she is or was a Executive Committee member or an officer or employee of the Authority, in any proceeding arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Authority or by the Authority, the Authority shall defend and indemnify such persons, including reasonable attorneys' fees incurred in the defense of the proceedings, if the person sued acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful.

12.2 Liability Contribution. Pursuant to the Joint Powers Law, the debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the Members, except as provided by Section 895.2 of the California Government Code, as amended from time to time, in the case of injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement. If any Member is held liable upon any judgment for damages caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, and pays in excess of its Liability Share of such judgment, such Member shall be entitled to contribution from each other Member and may require each other Member to pay an amount towards the judgment for damages, but in no event shall any such other Member be required to pay in excess of its Liability Share of such judgment.

12.3 Indemnity by Authority. Except as otherwise set forth in this Agreement, the Authority shall defend, indemnify, and hold harmless each Party and each of their officials, officers, agents, and employees (collectively, the "Indemnitees of the Authority"), from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description that directly or

indirectly arises from the performance of any of the activities of the Authority undertaken pursuant to this Agreement. The Authority shall reimburse the Indemnitees of the Authority for any reasonable court costs and attorneys' fees that the Indemnitees of the Authority may incur as a result of such action. Indemnitees of the Authority may, at their sole and absolute discretion, participate in the defense undertaken by the Authority or retain separate counsel whose attorneys' fees and costs shall be paid by the Authority.

12.4 Indemnity by Party. Each Party shall defend, indemnify, and hold harmless, the Authority and the other Party, and their respective officials, officers, agents, and employees (collectively "Indemnities of the Party") from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description that directly or indirectly arises from the performance of any of the activities of the indemnifying Party undertaken pursuant to this Agreement. The indemnifying Party shall reimburse the Indemnities of the Party for any reasonable court costs and attorneys' fees that the Indemnities of the Party may incur as a result of such action. Indemnities of the Party may, at their sole and absolute discretion, participate in the defense undertaken by the indemnifying Party or retain separate counsel whose attorneys' fees and costs shall be paid by the indemnifying Party.

12.5 Insurance. The Authority shall procure, carry, and maintain in full force and effect at all times during the term of this Agreement, at its sole cost and expense, and until the termination of this Agreement, insurance coverage, which shall be maintained with insurers and under forms of policies approved by the Executive Committee. The Executive Committee shall establish insurance requirements in the bylaws or by resolution.

12.5 Survives Termination. All duties of the Authority and the Parties under this Section shall survive termination of this Agreement.

ARTICLE 13 DISPUTE RESOLUTION

13.1 Dispute Resolution. The Members shall use their best efforts to settle any dispute, claim, question or disagreement arising from or relating to this Agreement or to the interpretation of this Agreement ("Dispute"). To that end, representatives of the Members shall consult and negotiate with each other in good faith and, recognizing the mutual interests of the Members, attempt to reach a just and equitable solution satisfactory to all Members. If the representatives of the Members do not reach such a solution within a period of thirty (30) days after their first meeting regarding a Dispute, then the Members shall convene a meeting of the Executive Committee within sixty (60) days after the first meeting of the Party representatives regarding a Dispute and request that the Executive Committee settle the Dispute at the meeting. If the Executive Committee does not settle the Dispute at that Executive Committee meeting or within seven (7) calendar days after that Executive Committee meeting, any Party may request a voluntary mediation of the Dispute to be held within thirty (30) days after the request for mediation. If mediation is not requested or is unsuccessful, any Party may pursue any and all legal and equitable remedies that may be available. A Party who disputes any amount it is to pay to Authority or the other Party in connection with this Agreement shall first pay the disputed amount to Authority or other Party under protest before commencing Dispute resolution under this Section. The respective costs of each Party for resolving any Dispute shall be borne by the individual Members, not Authority.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1 Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed served, given or made if delivered (i) in person on the date of delivery; (ii) on the third day after mailing, if mailed, postage prepaid, by registered or certified mail (return receipt requested); or (iii) on the day after mailing if sent by a nationally recognized overnight delivery service which maintains records of the time, place, and recipient of delivery, to the person designated by such Member or the Authority upon the commencement of its membership in the Authority. A Member, at any time, by written notice to each other Member and the Authority, may designate different persons or different addresses for the giving of notices, demands or requests to it hereunder. The Authority may, at any time, by written notice to each Member, designate a different or additional person or a different address for giving notices, demands or requests to it hereunder.

14.2 Section Heading. All section headings in this Agreement are for convenience and reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

14.4 Further Assurances. Each Member agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.

14.4 Law Governing. This Agreement is made in the State of California under the constitution and laws of the State of California, and is to be so construed.

14.5 Agreement Complete. The foregoing constitutes the full and complete Agreement of the Members. There are no oral understandings or agreements not set forth in writing herein.

14.6 Amendments. This Agreement may be amended at any time, by written agreement executed by all then-current Members. The purpose of any such amendment can be the addition of new Member Agencies to the Authority.

14.7 Enforcement by Authority. The Authority is hereby authorized to pursue any or all legal or equitable remedies, including but not limited to injunction and specific performance, necessary or permitted by law or equity to enforce this Agreement.

14.8 Severability. In the event that any term, covenant or condition of this Agreement or the application of such term, covenant or condition shall be held invalid as to any person or circumstance by any court having jurisdiction in the premises, all other terms, covenants and conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect.

14.9 Execution of Contracts. The Executive Committee, except as otherwise provided in this Agreement, may authorize any officer or officers, agent or agents, to enter into any contract or execute any contract or execute any instrument in the name of and on behalf of the Authority and such authorization may be in general or confined to specific instances and unless so authorized by the Executive Committee, no officer, agent or employee shall have any power or authority to bind the Authority by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

14.10 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Members. No Member may assign any right or obligation hereunder without the prior written consent of the other Members and any attempt to assign without such consent is null and void. The immediately preceding sentence shall not affect any right of assignment under any other contract between any Member and the Authority.

14.11 Agreement Not for Benefit of Third Parties. This Agreement will not be construed as or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties will have any right of action under this Agreement for any cause whatsoever. Any services performed or expenditures made in connection with this Agreement by any Party will be deemed conclusively to be for the direct protection and benefit of the inhabitants and property within the jurisdiction of such Party. No person or entity, other than the Parties and their permitted successors and assigns, is authorized to enforce the provisions of this Agreement.

14.12 Execution of Counterparts. This Agreement may be executed in any number of counterparts. All such counterparts shall be deemed to be originals and shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as attested by their proper officers thereunto duly authorized, on the day and year set forth below, making the same effective on the date signed by the last of all Parties hereto.

[Remainder of Page Intentionally Left Blank]

COUNTY OF RIVERSIDE

By: _____

ATTEST:

Clerk of the Executive Committee

CITY OF COACHELLA

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF INDIO

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF LA QUINTA

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF PALM DESERT

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

IMPERIAL IRRIGATION DISTRICT

By: _____
Chair

ATTEST:

District Clerk

APPROVED AS TO FORM:

General Counsel

CABAZON BAND OF MISSION INDIANS

By: _____

ATTEST:

APPROVED AS TO FORM:

General Counsel