



BYLAWS

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PRELUDE

ARDC was created in 1969 through the Regional Development Act under Minnesota legislative action. ARDC received authority to become the comprehensive planning and development agency for the seven counties in NE Minnesota including Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis.

ARTICLE I.

NAME LOCATION AND JURISDICTION

- 1.1 The Commission shall be known as the Arrowhead Regional Development Commission. It is a regional development commission established under and pursuant to the Laws of Minnesota, Chapter 462 (Minnesota Statutes, Sec. 462.381 et seq.).
- 1.2 The Commission shall maintain its principal office in the City of Duluth, St. Louis County, Minnesota, and may establish other offices in other locations, as it may deem appropriate.
- 1.3 The Development Region within which this Commission shall function shall include that area within the boundaries of the following counties of the State of Minnesota: Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis, and additional counties or areas as may be specified by the Governor's Executive Order pursuant to law.

ARTICLE II.

PURPOSES AND POWERS

- 2.1 The Commission shall possess, exercise, and discharge the powers and duties established by the Laws of Minnesota, Chapter 462, otherwise known as the Regional Development Act.
- 2.2 The Commission has been established to promote intergovernmental cooperation on a regional basis to meet common problems of governmental units located within this Region. Further, it is recognized that coordination of State, Federal, and local planning and development programs is essential to the orderly and cohesive development and progress of the Region.
- 2.3 The Commission shall be active in the general field of coordination and development which shall include but not be limited to multi-county planning and development, serve as the authorized agency to receive State and Federal grants authorized by law, preparation and adoption of comprehensive development plans for the Region, research review and development of data pertinent to regional development and the issuance of reports and studies thereon; the Commission shall review and comment upon proposals and plans which may be submitted to it as required by law and assist wherever possible the various local units of government within the Region.

2.4 The powers and duties of the Commission shall be performed and carried out by the Commission and/or by its directors, officers or employees as authorized by law and by these bylaws. In the event that any provision of these bylaws conflict with any provision of the Regional Development Act, the law, as stated in the Regional Development Act, shall prevail.

ARTICLE III.

COMMISSION MEMBERSHIP AND REPRESENTATION

3.1 The Arrowhead Regional Development Commission shall consist of the following:

- (a) One member from each county board of every county in the Development Region.
- (b) One additional county board member from each county in the Development Region having a population over 100,000 persons.
- (c) One member of a township board of supervisors from each county containing organized township.
- (d) One additional member selected by the county board of any county containing no townships.
- (e) One mayor or councilperson from one municipality of under 10,000 population from each county.
- (f) One mayor or councilperson from each municipality of over 10,000 population in each county.
- (g) Two school board members elected by a majority of the chairpersons of school boards in the development region. A school board for these purposes shall be defined as the school board of an independent school district.
- (h) Citizens representing general citizens At-Large within the development region, defined and selected as hereinafter provided.
- (i) The officers who shall be selected by the Commission as hereinafter provided.
- (j) One member for each Native American Tribal Council located within the development region.

Members may not have an alternate representative.

3.2 **ELECTED OFFICIAL MEMBERSHIP:** This section defines the process and procedures to be used in obtaining members for membership categories (a), (b), (c), (d), (e), (f), and (g) as defined in Section 3.1 above:

3.21 Members of the Commission defined in categories (a) and (b) of Section 3.1 above shall be determined by the following procedures: Each county board of commissioners in the region shall be requested by the Commission to recommend to the Commission the name of one of its members to serve in membership category (a) and, if applicable, membership category (b). These recommendations will be submitted to the Commission prior to the Commission meeting in the month of January. The eligibility of elected officials will be concurrent with their term of jurisdiction office. The Commission must ratify the members proposed by the county boards of commissioners before such persons may serve on the Commission. Amendment 2021: Elected County Commissioner will be appointed to serve on ARDC's Board of Directors with their term parallel with their

Commission term. In the event there is a newly appointed County Commissioner to the Board of Directors resulting in dual representation for that county, current County Commissioners on ARDCs Commission can fulfill their current terms on the Commission and their Board position would end. Upon expiration of said term, that County Commissioner's term would not be filled. All County Commissioners term dates on both the Commission and Board of Directors will be modified to equal the same term end dates, using the Commission expiration date as the date of expiration to both the Board of Directors and the Commission.

- 3.22 Members of the Commission defined in category (c) of Section 3.1 above shall be determined by the following procedure: the Commission shall notify the Chairperson of each county's township association (in those counties with organized townships) that the county township association is to nominate a township officer from that county to serve in membership category (c). Notification shall be made at least 45 days prior to the Commission meeting at which action to fill this membership category is to occur. The Commission must ratify members proposed by each county township association before persons may serve. Should a county township association choose not to appoint a person through the process outlined above, the county board of commissioners may nominate a representative from their respective township boards or a county board member to fill the vacancy.
- 3.23 Members of the Commission defined in category (d) of Section 3.1 above shall be determined by the following procedure: Each county board of commissioners of a county which has no organized townships shall be requested by the Commission to recommend to the Commission the name of one person to serve in membership category (d). This person must be an elected official from the county but need not be a county commissioner. These recommendations will be submitted to the Commission prior to the annual January meeting. The Commission must ratify the member proposed by the county board of commissioners before such persons may serve on the Commission.
- 3.24 Members of the Commission defined in category (e) of Section 3.1 above shall be determined by the following procedure: Members in this category shall be selected by the mayors of the municipalities of under 10,000 population in their respective counties. The mayors of each municipality under 10,000 shall be requested in writing to nominate one mayor or city councilperson from a municipality of under 10,000 population in their county. Nominations shall be completed 45 days prior to the meeting of the Commission at which action to fill this membership category is to occur. The Commission must elect the membership of those persons so nominated before such persons may serve on the Commission.
- 3.25 Members of the Commission defined in category (f) of Section 3.1 above shall be determined by the following procedure: Each municipality of over 10,000 population in the Region shall be notified by the Commission to recommend to the Commission the name of one of its councilpersons or its mayor to serve in membership category (f). Notification shall be made at least 45 days prior to the Commission meeting at which action to fill this membership category is to occur. The Commission will ratify

the members proposed by each municipality.

- 3.26 Members of the Commission defined in category (g) of Section 3.1 above shall be determined by the following procedure: Members in this category shall be elected by the chairpersons of school boards in the Development Region. Each chairperson shall submit in writing the name of one qualified individual. The designation of individuals shall be completed 30 days prior to the meeting of the Commission at which action to fill this membership category is to occur.
- 3.27 In the event of a tie vote or other deadlock in the nominating processes specified in Section 3.5, the decision will be made by the ARDC Commission. Selection of an individual shall be by majority vote of the quorum present at the meeting. The Commission must ratify the member proposed through the meeting before the person may serve on the Commission.

3.3 **AT-LARGE MEMBERSHIP:** Citizens representing general citizens At-Large within the region shall serve as members of the Commission. Each member must reside in the Development Region. A total of eight general citizens At-Large will serve on the Commission.

General Citizens At-Large

A total of eight general citizens At-Large positions from the Region, subject to vote by the Commission.

- 3.31 **Applications:** Applications for the At-Large membership categories shall be solicited and accepted from the following:

Public notice of the membership selection process will be entered in each county's official newspaper. Applications will be submitted on forms provided by the Commission. The application form shall clearly indicate qualifications. The Commission is authorized to use any means it deems appropriate in broadly seeking applications from throughout the Region.

Minority Interests

Minority interests shall be encouraged to apply for membership on the Commission. Ads shall be placed in regional newspapers and/or electronic media soliciting applications and encouraging minorities to apply.

3.4 **Recognized Committee Members**

- A. **Metropolitan Interstate Council** - one member appointed by this committee, subject to ratification by the Commission.
- B. **Advisory Committee on Aging** - one member appointed by this committee, subject to ratification by the Commission.

C. **All other Recognized Committees** - one member per active committee formally recognized by the Commission.

3.5 NOMINATIONS: Members shall be selected as follows:

3.51 **Nominating Committee:** The Chairperson of the Commission shall select a Nominating Committee of not more than nine 9 persons. The Nominating Committee shall be a standing committee of the Commission and members shall be appointed for one-year terms. Balanced representation of the Region on the committee is desired but not required.

The Nominating Committee shall meet as promptly and frequently as is necessary to provide the names of qualified candidates in a timely manner to the Commission. A quorum for its meetings shall be at least fifty percent (50%) of its members. By a majority of those voting, the Nominating Committee shall nominate a candidate or candidates for each Commission position to be filled. The balance of the eligible applicants, although not selected for nomination by the Nominating Committee, will be listed for the Commission and may run for election for this position by attending and expressing an interest at the meeting. The names, together with the report of its proceedings, shall be submitted by the Nominating Committee to the Commission with an indication of the particular post to which the candidates are nominated and a summary of the background, experience and qualifications of the candidates. The report of the Nominating Committee shall be submitted to the Commission not later than the last date upon which timely notices may be given of the Commission meeting at which the election is to occur. Those running for election must be from among those applications as previously received and reviewed by the Nominating Committee.

3.6 Terms of Office:

- 3.61 Commission members representing an At-Large membership category as defined in Section 3.3 above shall serve for a term of three years with no limit on the number of terms.
- 3.62 All Commission members who are elected officials representing local units of government shall serve three-year terms with no limit to the number of consecutive terms they may serve.
- 3.63 All Commission member's terms shall expire January 31 after the year in which their current term expires. Newly elected voting commission members are eligible to vote the month following the annual meeting.

3.7 ATTENDANCE AND VACANCIES

- 3.71 Three consecutive absences, without notification and good cause as determined by the Chair, shall be sufficient reason for the Commission to find that a vacancy exists in the position held by the Commission member involved. Prior to finding that a

vacancy exists, the Chair (or appointed designee) shall contact the Commission member involved to ascertain whether he/she desires to continue serving on the Commission and shall afford the Commission member an opportunity to resign or reaffirm his/her commitment to active participation at subsequent Commission meetings. If the Commission member does not resign and is absent at the next Commission meeting, the Commission may consider that Commission member's position vacant and may seek nominations to fill it.

3.72 A vacancy in the office of Commission member shall also occur upon the death or resignation of a member, if a member ceases to have the required qualifications for membership as provided herein, or upon receipt of a formal resolution from any governmental unit in Section 3.1, paragraphs (a) - (h) indicating that the member no longer is authorized to represent the governmental unit. Vacancies shall be filled as soon as possible in the same manner as the position was originally filled under this article.

ARTICLE IV.

COMMISSION MEETINGS

4.1 **ANNUAL MEETING:** The Annual Meeting of the Commission shall be held on the third Thursday of January in each year at the principal office of the Commission or another location as the Commission shall determine and shall be specified in the meeting notice. In the event the Annual Meeting date is cancelled, the chair will determine a date as soon as practical or at the next scheduled monthly meeting.

Notice of the time and place of the Annual Meeting shall be given by the Secretary of the Commission at least ten days prior to the meeting date. Notice by United States mail, postage prepaid, or electronic communication shall be deemed sufficient notice. Concurrently, the Secretary shall send to each member a tentative agenda of business to be transacted at the Annual Meeting. Transaction of business at the Annual Meeting, however, need not be limited to those items listed on the agenda; provided, that no business with respect to which special notice is required shall be transacted unless such notice shall have been given.

4.11 All Commission members' terms shall expire January 31 after the year in which their current term expires. Newly elected voting commission members are eligible to vote the month following the Annual Meeting. All Commission and Board elections will take place at the Annual Meeting in accordance with the following procedure and sequence:

- a) Ratification of elected official Commissioners by the existing commissioners will occur first.
- b) The Commission will vote on At Large membership positions, which are open for election.

- c) The Commission will then elect the new Commission officers whose positions are open for election.
- d) Once the Commission has elected its officers, the Commission will elect the Board of Directors positions open for election.

4.2 **REGULAR MEETINGS:** The Commission shall meet at least four times during each calendar year. Regular meetings shall be held at the Commission's principal office in Duluth, Minnesota or at other locations as may be established by the Commission and identified in the notice of meeting. Notice of the time and place of a regular meeting shall be given by the Secretary of the Commission (or designee) at least five business days prior to the meeting date. Notice by United States mail, postage prepaid or electronic communication, shall be deemed sufficient. Concurrently, the Secretary (or designee) shall send to each member a tentative agenda of business to be transacted at the meeting. Transaction of business at the meeting, however, need not be limited to those items listed on the agenda.

4.3 **SPECIAL MEETINGS:** A special meeting of the Commission may be called for any purpose or purposes at any time by the Chair, a majority of Board of Directors or a quorum number of members of the Commission.

Persons entitled to call a special meeting shall make a request in writing, mailed, electronically communicated, or delivered in person to the Chair of the Commission or to the Secretary. It shall be the duty of the Secretary (or designee) to give notice to all members of a meeting to be held at such time and place as the officer may fix. The notice shall state the purpose or purposes of the meeting and shall set the date of the meeting not less than three days after the receipt of the request by the Chair or Secretary (or designee). No business may be transacted at a special meeting except as has been described in the notice.

The Executive Committee, consisting of the Commission officers and most recent past Chair still serving on the Commission, may meet to make recommendations to the Management Group, led by the ARDC Executive Director, the Board or Commission, in an advisory capacity.

4.4 **ADJOURNMENTS:** Any meeting of the members may be adjourned at any time upon a vote of a majority of the members present at the meeting. No other notice of adjourned meeting shall be required other than by announcement at the meeting at which adjournment is taken.

4.5 **QUORUM:** Presence at any meeting in person of thirty percent of the total voting membership at the meeting shall constitute a quorum for the transaction of business. If a quorum is not present, those present shall have the power to adjourn the meeting at any time until a quorum shall be present without giving further notice of the adjourned meeting. The members present at duly called meeting or adjourned meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the

withdrawal of enough members to leave less than a quorum.

- 4.6 **VOTING RIGHTS:** Every member of record at the date of a meeting, shall be entitled at the meeting to one vote. Newly elected voting commission members are eligible to vote the month following the annual meeting. Voting may be by voice or by ballot. Voting procedures and rights related to Commission and Board elections at the Annual Meeting will be governed by the provisions of Section 4.1.1. In an emergency situation, voting may be conducted by mail, telephone or electronic written communication as authorized by the Chair, per applicable Open Meeting laws.
- 4.7 **MINUTES:** The minutes of each meeting shall be prepared and distributed to the Commission members after each meeting. Minutes and corrections thereof, duly adopted, shall be signed by the presiding officer. The minutes of the meeting shall be deemed to be correct until adopted at a regular or special meeting of the Commission.
- 4.8 **EXPENSES:** Commission and Advisory Committee members authorized by the Commission shall be reimbursed for reasonable expenses incurred on Commission business, in adherence to CONUS guidelines.

ARTICLE V.

BOARD OF DIRECTORS

- 5.1 The business affairs of the Commission shall be managed by a Board of Directors whose actions and policies are subject to ratification by the Commission. The Commission may delegate to the Board certain business and financial actions, such as the approval of grants and contracts. These actions must be within and consistent with the approved Commission budget. (See Section 6.9)
- 5.2 The Board of Directors of the Commission shall be made up of 7 county commissioners currently holding office, at least 5 other appointees from the Commission and one member shall be a member of a minority group. Six members must be members of the Commission prior to their election to the Board of Directors. A representative of recognized advisory committees shall serve as a member on the Board of Directors. In addition to these members, the Chair of the Commission and all other officers of the Commission shall serve in the same position on the Board of Directors. Amendment 2021: Elected County Commissioner will be appointed to serve on ARDC's Board of Directors with their term parallel with their Commission term. In the event there is a newly appointed County Commissioner to the Board of Directors resulting in dual representation for that county, current County Commissioners on ARDCs Commission can fulfill their current terms on the Commission and their Board position would end. Upon expiration of said term, that County Commissioner's term would not be filled. All County Commissioners term dates on both the Commission and Board of Directors will be modified to equal the same term end dates, using the Commission expiration date as the date of expiration to both the Board of Directors and the Commission.

- 5.3 The Nominating Committee appointed pursuant to Section 3.41 shall select and submit to the commission a slate of individuals as nominees for the Board of Directors. A list of nominees and a brief summary of their qualifications shall be mailed or electronically communicated to each Commission member not later than the last date upon which the notice may be given of the meeting at which the election of Directors is to take place. Board members shall be elected at the Annual Meeting. At the Annual Meeting, nominations may be received from the floor for persons who submitted applications for consideration by the Nominating Committee by attending and expressing an interest at the meeting.
- 5.4 Directors shall serve for a term of three (3) years with staggered, if possible, to provide for approximately one-third of the membership to be elected annually.
- 5.5 Vacancies on the Board of Directors shall be filled for the remaining portions of the term thereof by a majority vote of the Commission members acting at regular or special meeting pursuant to notice indicating that action to fill the vacancy shall be taken at the meeting.
- 5.6 Regular meetings of the Board of Directors shall be held at the Commission's principal office in Duluth, Minnesota (or such other place as the directors may designate) on the third Thursday of every month. If such date is a legal holiday, the meeting shall be scheduled within one week of that date. No notice of regular meetings needs to be given to the Board of Directors unless the meeting place is other than the principal office of the Commission. Whenever possible, a tentative agenda of business scheduled for transaction at a regular meeting shall be given to each Board member five (5) business days prior to the date of the meeting. Notice by United States mail, postage prepaid or electronic communication, shall be deemed sufficient. Concurrently, the Secretary shall send to each member a tentative agenda of business to be transacted at the meeting. Transaction of business at the meeting, however, need not be limited to those items listed on the agenda.
- 5.7 Special meetings of the Board of Directors may be called for any purpose or purposes at any time by the Chair of the Board or by a majority of directors. Notice of a special meeting in accordance with public meeting notice requirements shall be given to each director by three (3) days' service of the same by electronic communication stating the purpose of the meeting.
- 5.8 A quorum at all meetings of the Board of Directors shall consist of a majority of the whole Board; but less than a quorum may adjourn. If a quorum is present at a meeting, the Board may continue to transact business until adjournment, notwithstanding the withdrawal of sufficient members to leave less than a quorum.
- 5.9 No salary shall be paid to directors for their services provided, however, a director may receive a per diem and expenses for each meeting of the Board attended according to state guidelines. An officially selected director who is a Commission member, who attends a committee meeting, or who is engaged in other official Commission business, shall be eligible for such per diem and expenses. County Commissioners shall apply to their respective counties for per diem and expense reimbursements.

ARTICLE VI.

OFFICERS

- 6.1 The Officers of the Commission shall be a Chair, Vice-Chair, a Secretary and a Treasurer. The Commission, or the Board of Directors with the consent of the Commission, may establish additional offices from time to time. All officers of the Commission shall serve in analogous positions on the Board of Directors.
- 6.2 The Commission (or the Board of Directors acting with the consent of the Commission) may appoint one or more assistant secretaries or assistant treasurers.
- 6.3 All officers must be Commission members.
- 6.4 The officers shall be elected as hereinafter provided and shall serve for a term of three (3) years.
- 6.5 No two offices may be held by the same person at the same time.
- 6.6 Officers of the Commission shall be elected as follows:
 - a. The Chair and Vice-Chair shall have been residents of the Region for at least one year and shall be persons experienced in the field of governmental affairs. The Chair and Vice-Chair of the Commission shall be a County Commissioner.
 - b. The Secretary and Treasurer of the Commission shall each be a resident of the Region.
 - c. Elections for the offices of Chair, Vice-Chair, Secretary and Treasurer shall be conducted at the Annual Meeting of the Commission.
 - d. The Nominating Committee, established pursuant to Section 3.51, shall provide nominees for the positions of Chair, Vice Chair, Secretary and Treasurer. A list of nominees and a brief summary of their qualifications shall be mailed to each Commission member not later than the last date upon which time the notice may be given of the Annual Meeting. Nominations may be received from the floor for persons who submitted applications for consideration by the Nominating Committee by attending and expressing an interest at the meeting.
 - e. Should a vacancy in an officer position occur, a Nominating Committee meeting will be called to review those individuals qualified for the Officer position and a special election shall be held at the next Commission meeting or as specified in Article IV to fill the unexpired term.
- 6.7 The Chair shall be responsible for carrying out the policy decisions of the Commission to assure that all resolutions of the Commission are carried into effect. The Chair shall execute all contracts or instruments of the Commission and shall have the powers and duties vested in him or her under and pursuant to the Regional Development Act and any amendments thereunto.

The Chair shall preside at all meetings of the Commission and at meetings of the Board of Directors. The Vice-Chair shall preside in the absence of the Chair at any meeting of the Commission or of its Board of Directors. The Secretary shall preside in the absence of the Chair and Vice Chair. The Treasurer shall preside in the absence of the Chair, Vice Chair and Secretary.

- 6.8 The Vice-Chair of the Commission shall assist the Chair in carrying out duties and responsibilities and shall perform additional duties as may be established by the Commission from time to time.
- 6.9 The Secretary shall issue notices of all meetings (except those special meetings which may be called at the request of other officers pursuant to these Bylaws). The Secretary shall keep minutes of all meetings and maintain a record for that purpose. The Secretary shall have custody of and provide for the safekeeping of all documents of the Commission; however, the clerical and safekeeping obligations may be delegated to the Management Group of the Commission or staff.
- 6.10 The Treasurer shall have responsibility for the funds of the Commission and shall keep a full and accurate record of accounts, receipts and disbursements in books belonging to the Commission and shall deposit all funds in the name and to the account of the Commission in depositories as may be designated by the Commission. The Treasurer shall disburse the funds of the Commission as ordered by the Board of Directors and shall provide the Commission or Board of Directors an account of transactions and of the financial condition of the Commission as required from time to time by the Commission or the Board of Directors.

The Commission or Board may adopt a resolution authorizing the payment of routine recurring expenditures. So long as an authorizing resolution shall be in effect the Management Group or delegated staff with prior Commission authorization shall have the authority to disburse the funds of the Commission for such purposes. Payments made pursuant to the resolution shall, however, be reported at the next meeting of the Commission or Board of Directors. In no event shall any officer of the Commission authorize or obligate the Commission to make any payment except from sufficient unencumbered appropriated funds existing at that time to the credit of the Commission.

- 6.11 All officers and employees of the Commission who handle funds of the Commission or who are custodians of property shall be bonded or insured in an amount to be determined by the Commission. The cost of the bond or bonds shall be paid from the funds of the Commission.
- 6.12 All officers and employees of the Commission shall serve at the will of the Commission and may be removed pursuant to procedures as may be adopted by the Commission consistent with current applicable statutes.

ARTICLE VII.

ADMINISTRATION

- 7.1 The administration of the work to be carried on by the Commission shall be the responsibility of the ARDC Executive Director.
- 7.2 The Management Group, led by the ARDC Executive Director, shall be responsible for all planning, coordination, reporting, and other work required of the Commission.
- 7.3 Any duty of the Secretary or Treasurer may be performed by the Management Group, led by the ARDC Executive Director, or under their supervision pursuant to resolution of the Commission. Further, the Commission may grant general or specific authority to the Executive Director to execute instruments for and on behalf of the Commission.
- 7.4 The Commission may adopt a merit system for its officers and employees with determined performance analysis and review policy, and in compliance with the MN Pay Equity Law.
- 7.5 Basic administrative research and planning services for all regional planning and development bodies may be provided by the Commission. The Commission may contract with others to obtain or perform services, all as provided in Minnesota Law.
- 7.6 In addition to other committees as may be established among the members of the Commission, the following committees shall be standing committees of the Board of Directors:

- a. **Bylaws Committee**: shall consist of members of the Board and/or Commission appointed by the Chair, as necessary. Balanced representation of the Region on this committee is desired but not required. It shall make timely recommendations to the Commission regarding changes or additions to the Commission's Bylaws.
- b. **Executive Committee**: The Executive Committee shall consist of the Board and Commission officers and most recent past Chair still serving on the Commission. The Executive Committee shall make recommendations to the Executive Director, Board, and Commission in emergency issues to be approved at the next Board or Commission meeting. This Committee shall consult with the Management Group and necessary staff regarding the financial requirement of the administration and performance of the work of the Commission. This Committee shall also consult with the Management Group and act as required in the areas of hiring, promotion, and discharge of Commission personnel, working conditions, compensation and similar matters relevant to employment by the Commission. The Executive Committee shall make recommendations to the ARDC Board and Commission regarding Management Team members' performance and compensation. The Executive Committee can also meet regarding other concerns as needed.
- c. **Other Committees**: The Commission is authorized to establish other committees as needed consisting of Commission members and interested and affected citizens to inquire into and report on such matters that arise.

7.7 The Commission shall by resolution establish, adopt, and amend guidelines for uniform Bylaws for each of its advisory committees.

7.8 The Management Group shall annually prepare and submit to the Commission a report on or before Sept. 1 as required by Minnesota Law. This report shall be considered and shall be the basis for the report required to be issued by the Commission to the State of Minnesota. It shall be directed to the governmental units and the public within the region served by the Commission and to the Legislature and the Governor of the State of Minnesota. The report shall include but not be limited to the specific items listed in Minnesota Statutes, Sec. 462.393.

The Management Group shall first submit said report to the Board of Directors for approval prior to its filing with the State of Minnesota.

7.9 Every contract of the Commission for the purchase of merchandise, materials or supplies shall be let in accordance with the provisions of Minnesota Statutes, Section 471.35.

ARTICLE VIII.

FINANCE

8.1 The fiscal year of the Commission shall be from January 1 to December 31.

- 8.2 The Commission shall meet with the Management Group and ARDC finance staff to determine the financial needs of the Commission and to establish a budget for Commission operations. The report of the Finance Director (containing the preliminary budget) shall be submitted to the Commission no later than the 3rd Thursday of July for approval.
- 8.3 The Commission shall, no later than August 20, submit its proposed budget for the ensuing year showing anticipated receipts, disbursements, and ad valorem tax levy with a written notice of the time and place of the public hearing on the proposed budget to each county auditor and municipal clerk within the region and those town clerks who in advance have requested a copy of the budget and notice of public hearing. Said public hearing shall be held no later than September 15 pursuant to ten days' notice in a legal newspaper of general circulation in each county within the region, setting forth the time and place of the public hearing and, in brief form, the essential items of revenue and expense anticipated in the budget. No later than September 15, the Secretary shall certify to the auditors of the counties within the Region each county's share of the tax, which shall be an amount bearing the same proportion to the total levy agreed on by the commission as the net tax capacity of the county bears to the next tax capacity of the Region.
- 8.4 At the October Commission Meeting in each year, the Commission, after the public hearing, shall adopt its proposed budget.
- 8.5 The Commission may accept gifts, apply for and use grants or loans of money or property from the United States, any state or any person, local or governmental body for any Commission purpose, and may enter into agreements required in connection therewith. It may hold, use and dispose of monies or property in accordance with the terms of the gift, grant, loan, agreement or contract relating thereto.
- 8.6 Commission funds shall be disbursed by staff preauthorized by resolution of the Commission.
- 8.7 The monies of the Commission shall be deposited in the name of the Commission in national or state banks or trust companies authorized to do banking business as the Commission shall designate in writing. The designation shall set forth the terms and conditions upon which deposits and withdrawals may be made authorized staff designated by the Commission and shall be signed by the Chair and Secretary and made a part of the Commission minutes.

ARTICLE IX.

NOTICES

- 9.1 Whenever the provisions of the Minnesota Statutes or these Bylaws require notice to be given, it shall not be construed to mean personal notice; notice may be given by US mail or electronic mail no less than ten days.

ARTICLE X.

AMENDMENT OF BYLAWS

10.1 The Bylaws of the Commission may be amended by the majority vote of the members present at any regular meeting of the Commission or at any special meeting thereof at which a quorum is present, provided that notice of the regular or special meeting shall state the proposed amendments and the fact that it is to be voted upon at the meeting. The Board of Directors shall have no power to amend or repeal these Bylaws.

ARTICLE XI.

GENERAL AND MISCELLANEOUS

11.1 The Commission shall by resolution establish, adopt and amend a Conflict of Interest policy regarding the actions of its staff, Board members, Commission members and members of its advisory committees.

11.2 The Commission shall by resolution establish, adopt, and amend a Code of Conduct for Commissioners and Board members.

ARROWHEAD REGIONAL DEVELOPMENT COMMISSION

POLICY STATEMENT

Conflict of Interest

The following policy shall apply to all actions taken by the Arrowhead Regional Development Commission ("ARDC").

I.

Actions taken by ARDC, as a quasi-governmental entity, are subject to Minnesota state law governing conflicts of interest, including Minnesota Statutes Section 471.87. ARDC's actions are subject to stricter and broader conflict of interest rules when they relate to use of funds subject to the U. S. Department of Commerce Economic Development Administration Revolving Loan Fund Financial Assistance Award Standard Terms and Conditions dated October 9, 2007 ("RLF Terms"). Any action taken by ARDC which relates to funds subject to the RLF Terms must comply with the RLF Terms. In addition, all actions taken by ARDC are subject to Minnesota state law governing conflicts of interest, as further set forth below and in Minnesota Statutes, as amended from time to time. A copy of the RLF Terms is on file with the Executive Director.

II.

Except as authorized by Minnesota Statutes, a public officer (which includes, but depending on the facts of a matter, may not be limited to, any director, officer or commissioner of ARDC) who is authorized to take part in any manner in making any sale, lease or contract shall not voluntarily have a personal financial interest, where there is no exception in Minnesota Statutes, creates a conflict of interest. In other words, absent an exception therefrom, Minnesota Statutes prohibit ARDC from entering into any sale, lease or contract where a public officer of ARDC authorized to take part in making the sale, lease or contract would voluntarily incur a personal financial benefit from the sale, lease or contract. A conflict of interest exists regardless of whether or not the benefitted public officer abstains from discussing, voting on or otherwise taking part in making the sale, lease or contract.

III.

Each proposed action by ARDC where a conflict of interest may exist must be carefully analyzed before the proposed action is taken. Any public officer of ARDC who believes a conflict of interest may exist regarding a proposed action shall immediately inform the Chair of the Board of directors. Any director, officer, committee member or employee of ARDC may raise a possible conflict of interest regarding any proposed action by ARDC. The Chair of the Board of Directors shall determine whether a conflict of interest exists. All conflict of interests determinations made by the Chair may be appealed to the Board of Directors, which shall vote on whether a conflict of interest exists. The public officer who would allegedly benefit from the proposed action shall not have the right to vote on the appeal. If a conflict of interest exists and an exception does not apply under Minnesota law, ARDC may not enter into the proposed sale, lease or contract. If a conflict of interest does not exist, ARDC shall proceed with determining whether to enter into the proposed sale, lease or contract.

ARROWHEAD REGIONAL DEVELOPMENT COMMISSION POLICY STATEMENT

Uniform Advisory Committee Bylaws

The following policies apply to all of the ARDC Advisory Committees, with the exception of the Metropolitan Interstate Council, which is subject to the provisions of the Joint Powers Agreement between ARDC and the Northwest Wisconsin Regional Planning Commission. These policies must be reflected and adhered to in the Bylaws of each Advisory Committee.

1. The Bylaws and any amendments to the Bylaws of each Advisory Committee must be approved by the Commission.
2. All members of each Advisory Committee must be ratified by the Commission.
3. The Chair and other officers of each Advisory Committee will be elected by the members of each committee.
4. Each Advisory Committee will select and appoint its own nominating committee, provided that all nominating committee members are members of the committee.
5. One voting member of each Advisory Committee shall be a member of the Commission and the Board of Directors.
6. Each Advisory Committee shall specify the length of term for each member.
7. The Advisory Committees serve in an advisory capacity to the Commission and Board. No action taken by an Advisory Committee can or should be represented as an official action or position of ARDC unless or until it is approved by the Commission or Board of Directors.
8. Each Advisory Committee shall make every effort to ensure representation from each of the Region's seven counties, with the exception of the Metropolitan Interstate Council, when soliciting nominations for membership.
9. The Chair of the Commission may appoint one Commission Member as a representative to each existing ARDC Advisory Committee as an ex-officio member.

ARDC's Code of Business Conduct

ARDC's Code of Business Conduct policy provides ethical guidance and expectations for Board and Commission members to conduct business in ways that support ARDC's mission. Should you have a question regarding this policy, and/or observe unethical misconduct as defined in this Code of Business Conduct policy, please contact a member of ARDC's Shared Management Group or Commission Chair. Upon learning of unethical misconduct, ARDC will take reasonable, prompt, and appropriate action to prevent and correct the unethical misconduct. ARDC prohibits retaliation against those who make reports in Good Faith and/or cooperate in investigations.

- All ARDC representatives are expected to conduct ARDC business in accordance with all applicable laws and regulations consistent with the highest business and legal standards.
- All ARDC representatives will represent the best interest of ARDC at all times.
- ARDC will not allow any form of unlawful harassment, discrimination, or any such conduct that has the purpose or effect of interfering with work performance or creates an intimidating, hostile or offensive work environment. ARDC's harassment policy includes harassment to or from non-employees, customers, vendors, independent contractors or other third party.
- ARDC is committed to providing a safe working environment that is free from all forms of violence. ARDC encourages a congenial work environment of respect and professionalism. ARDC prohibits intentional harm or threat to harm volunteers, employees, Board and Commission members, clients, vendors, visitors, or property belonging to any of these parties. This includes such intentional acts as physically harming others, verbally abusing others, sabotaging another's work, stalking others, or making false statements about others that causes harm, both inside and outside an employee's place of employment.
- ARDC does not tolerate disruptive, threatening, or violent behavior which clearly obstructs or disrupts any teaching, research, administrative, public service, or other activity while conducting a workplace responsibility or task.
 - **Disruptive behavior** is inappropriate behavior that interferes with the functioning and flow of work and carrying out professional responsibilities. Examples may include persistent complaining, challenging, or resisting authority, yelling, using profanity, waving arms or fists, verbally abusing others, and refusing reasonable requests for identification.
 - **Threatening behavior** includes physical actions short of actual contact/injury (e.g., moving closer aggressively), general oral or written threats to people or property ("You better watch your back" or "I'll get you") as well as implicit threats ("You'll be sorry" or "This isn't over").
 - **Violent Behavior** includes any physical assault, with or without weapons; behavior that a reasonable person would interpret as being potentially violent (e.g., throwing things, pounding on a desk or door, or destroying property), or specific threats to inflict physical harm (e.g., a threat to shoot a named individual).
- Speak clearly, listen carefully, and respect the opinions of fellow Board and Commission members, staff, and representatives of ARDC.
- Maintain open communication, promote collaboration, and maintain effective partnerships with ARDC staff, Board and Commission members, and its affiliates.
- Be "solution focused", offering criticism only in a constructive manner.
- Do not engage in activities during meetings that are intended to impede or delay the progress and work of ARDC because of differences in opinion or other personal reasons.

Final

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- Always work to develop and improve one's knowledge of ARDC's goals, missions and opportunities as an ARDC representative.
- Fully disclose, at the earliest opportunity, information that may result in a perceived or actual conflict of interest.
- Keep confidential any information known due to Board and/or Commission service that is deemed confidential by the ARDC's Data Practices policy.