

MILLINGTON DOWNTOWN DEVELOPMENT AUTHORITY

BY-LAWS

Article I

PURPOSE AND POWERS

The purpose for which the Millington Downtown Development Authority (the "Authority") is organized, is to carry out the activities authorized under the Act 57, Public Acts of 2018, as amended, as it may be further amended from time to time (the "Act"). In furtherance of said purpose, the Authority shall have all the powers which are now or may hereafter be conferred by law on authorities organized under the Act and by other applicable laws.

Article II

BOARD

Section 1. General Powers. The Authority shall be under the supervision and control of the Board of Trustees (the "Board"). In addition to any specific powers hereinafter provided, the general powers of the Board shall be to carry out the activities of the Authority as authorized from time to time by the By-Laws and the Act.

Section 2. Number, Tenure, Qualifications and Training. The Board shall consist of nine members, eight of which shall be appointed by the Millington Village Council (the "Village Council"), whose terms last 4 years. The ninth member shall be a member of the Millington Village Council, whose term shall coincide with election years and will expire upon leaving the Village Council. Not less than a majority of the members of the Board shall be persons having an interest in property located in the area described in Article X of these By-Laws. If 100 or more persons reside in such area, at least one of the members of the Board shall be a resident of said area. Members shall be appointed for a term of four (4) years, except that of the members first appointed, an equal number as near as is practicable shall be appointed for one (1) year, two (2) years, three (3) years, respectively. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office. Each new member is required to complete "legacy" training, reviewing the bylaws, reviewing PA 57 of 2018, reviewing the Freedom of Information Act, Open Meetings Act. Every year every member of the DDA must complete a minimum of 4 hours of training which may consist of any legacy training or reviewing webinars that pertain to enhancing the Village, involvement with any joint meetings with the Village Council and Planning Commission.

Section 3. Compensation of Member. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary out-of-pocket expenses incurred in the performance of their official duties.

Section 4. Expiring of Term, Continuation in Office, Reappointment, and Filling Vacancies. A member shall hold office until the member's successor is appointed. An appointment to fill a vacancy shall be made by the Village Council for the unexpired term only.

Section 5. Removal. Pursuant to notice and an opportunity to be heard, a member of the Board may be removed for cause by the Village Council. Cause shall include unexcused attendance at three (3) successive regularly scheduled meetings of the Board.

Section 6. Disclosure of Interest. A Board member who has a direct interest in any matter before the Authority shall disclose his interest prior to the Authority taking any action with respect to the matter, which disclosure shall become a part of the record of the Authority's official proceedings. Any member decision-making process relative to such matter.

Article III

OFFICERS

Section 1. Officers. The officers of the Authority shall be a President, a Vice President, a Treasurer, and a Secretary, elected as hereinafter provided. The President and Vice President shall be members of the Board and shall serve without compensation. In addition, the Board may from time to time elect on or more additional Vice Presidents, Assistant Secretaries, or such other officers as the Board may deem proper. Any two offices other than the offices of the President and Secretary may be held by the same person, by an officer shall net execute, acknowledge of verify an instrument in more than one capacity if the instrument is required to be executed by more than one officer. The officers shall be elected annually by the Board at its annual meetings and shall hold office for a term of one (1) year and thereafter until their respective successors are elected and qualified, or until death, resignation or removal, provided that the first officers shall be elected at the first meeting of the Board or as soon thereafter as may be convenient and shall hold office until the first annual meeting of the Board.

Section 2. Removal of Officers. Pursuant to notice and an opportunity to be heard, an officer may be removed by the Board when they have failed to fulfill the obligation of the office as described in Article III, Sections 4.-7.

Section 3. Filling of Vacancies. A vacancy may be filled by the Village Council for the unexpired portion of the term.

Section 4. President. The President shall preside at all meetings of the Board. The President shall discharge the duties of a presiding officer. The President shall be liaison and spokesperson to the Village Council, the public and news media.

Section 5. Vice President. In the absence of the President, on in the event of the Presidents inability of refusal to act, the Vice President shall have all the powers and be subject to all restrictions of the President.

Section 6. Secretary. The Board may, but shall not be required to, fix compensation for a Secretary. The Secretary shall maintain custody of the official seal, records, books, documents and other papers of the Authority not required to be maintained by the Treasurer. The Secretary shall attend meetings of the Board, keep a record of its proceedings and shall perform such other duties as are delegated to him/her by the Board.

Section 7. Treasurer. The Board may, but shall not be required to, fix compensation for a Treasurer. The Treasurer shall keep the financial records of the Authority and approve all vouchers for the expenditure of funds of the authority. The Treasurer shall perform such other duties as may be delegated to him/her by the Board and shall furnish bond in an amount prescribed by the Board. The premium on the bond shall be deemed an operation expense of the Authority payable from funds available to the Authority for expenses of operation.

Article IV

MEETINGS

Section 1. Annual Meeting. The annual meeting of the Board shall be held on the second Wednesday of March, commencing in 2019 at the Authority's principal office. In the event an annual meeting shall follow a holiday, said meeting shall be held on the following business day.

Section 2. Regular Meetings. Regular meetings of the Board shall be held at 7:00 p.m. on the second Wednesday of each month unless changed by action of the President, at the Authority's principal office. In the event a regular meeting shall fall on a holiday, said meeting will occur on the following regular business day. The financial records shall be open to the public during regular business hours subject to and in accordance with the Freedom of Information Act 442, Public Acts of 1976. Any regular meeting cancelled for lack of quorum will be rescheduled not later than 7:00 PM on the regular meeting day of the following month and notice of such rescheduling posted in accordance with the Open Meetings Act 267, Public Act of 1976, as amended.

Section 3. Special Meetings. Special meetings of the Board may be called by the President, by the Vice President in the absence of the President, by any three (3) members of the Board or by the Village Council, by giving twenty-four (24) hours verbal notice of the time, date and place of the meeting and stating the purpose of the meetings, and by posting said notice eighteen (18) hours prior to the meeting at the Authority's principal office.

Section 4. Notice of Meetings. All meetings of the Board shall be held in compliance with Act 267, Public Acts of 1976, as amended, and shall be preceded by public notice of the time, date and place of the meeting in accordance with said Act.

Section 5. Agendas. An agenda shall be prepared for all meetings. Items for discussion should be placed on the agenda prior to the meeting. Any member of the Board may place any item upon the agenda, by request. The agenda may be amended by a majority vote of the members present.

Section 6. Quorum and Voting. A simple majority of the voting members of the Board in office, who are not disqualified from voting by a conflict of interest, shall constitute a quorum for the transaction of business. An affirmative vote of a majority of the voting members constituting a quorum shall constitute the action of the Board unless the vote of a larger number is required by statute or elsewhere in these By-Laws.

Section 7. Rules of Order. Robert's Rules of Order shall govern the conduct of all meetings. The Board shall adopt rules subject to the approval of the Village Council of the Village, governing its procedures and the holding of regular meetings.

Article V

EMPLOYMENT OF PERSONNEL

Section 1. Legal Counsel. The Board may retain legal counsel to advise the Board in the proper performance of its duties. The legal counsel shall represent the Authority in actions brought by or against the Authority.

Section 2. Other Personnel and Agents. The Board may employ other personnel and agents deemed necessary by the Board.

Article VI

COMMITTEES AND ADVISORY BOARDS

Section 1. Committees. The Board by resolution may designate and appoint its members to serve on one or more committees to advise the Board. The President of the Authority shall appoint the members and select the Chairperson of all committees. The committees may be terminated by a vote of the Board. At each annual meeting, the committees shall be evaluated and reappointed or dissolved. A majority of the members present at the meeting at which a quorum is present shall be empowered to act on behalf of the committee.

Section 2. Advisory Boards. The Board may by resolution authorize the establishment of advisory boards to the Authority and appoint a Chairperson of any such Board. The Chairperson shall select, with the advice and consent of the Board, the members of the advisory board. Except for the Chairperson, each advisory board shall elect its own officers and establish rules governing its actions.

Article VII

FINANCES

Section 1. Definitions. The following terms, phrases, words and their derivations shall have the meaning given herein. When consistent with the context, words used in the present tense include the future. Words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

1. "Account" is the line item budget set by the Committee Chairperson and not appropriated by Village Council. This is the last three account numbers of the nine-digit account numbers set up by the State Uniform Accounting Manual.
2. "Activity" this is the middle three numbers of the nine-digit account number set up by the Uniform Accounting Manual.
3. "Appropriation" means an authorization granted by Village Council to incur obligations and to expend public funds for a stated purpose.
4. "Authority" means a downtown development authority.
5. "Board" means the Board of Trustees of the Millington Downtown Development Authority.
6. "Contract" means an oral or written contract to purchase goods or services.
7. "DDA" means the Millington Downtown Development Authority.

Section 2. Spending Authorization. The Board shall authorize payment of all bills by resolution at the monthly meeting.

Section 3. Purchasing Authorization. All purchases must be authorized by the "Board".

Section 4. Bidding.

1. \$0 - \$200.00 – Formal competitive bidding is not required; however, the purchaser should endeavor to buy material at the least possible total cost.
2. \$200.01 - \$500.00 – Verbal quotations from a minimum of three (3) qualified bidders shall be required.
3. \$500.01 - \$5000.00 – Three (3) written bids are required.
4. \$5000.01 and over
 - a. Reasonable bid specifications specifying sealed bids shall be written.
 - b. Advertisement in a local newspaper is required, specifying what is to be purchased, when the bids will be opened, and where to obtain more information.
 - c. The Committee Chairperson shall open bids at an open meeting on the date and time specified in the bid specifications.
 - d. The Committee Chairperson shall recommend the bidder to whom the contract is to be awarded.
 - e. The Board shall award the bid to the best bidder; not necessarily the lowest bidder, keeping in mind the quality of material, availability of service and other factors affecting total cost over the life of the object purchased.
5. State Cooperative Purchasing. Competitive bidding is not required for State Cooperative or extended purchasing, since this responsibility has been delegated to the State of Michigan.

Section 5. Contracts. All contracts shall be signed by the President and by the Secretary after approval by the Board.

Section 6. Fees and Charges. All fees and charges shall be set by Board resolution.

Section 7. Budgetary Control.

1. The Board shall submit a recommended budget and subsequent amendments to the Village Council for approval before approval by the Board. The proposed budget shall suggest appropriations for expenses by activity totals and for revenues by fund total.
2. Village Council shall set all appropriations by resolution, after receiving a copy of the DDA resolution wherein the appropriations were recommended.

Section 8. **Checks.** All checks shall be signed by the Treasurer and another signer designated by the Board.

Section 9. **Financial Reports.**

1. At the first regular Board meeting of each month, the Treasurer shall submit a report showing the:
 - a. Balances in all checking and savings accounts, as of the end of the preceding month.
 - b. Checks written including payee, amount and purpose.
2. At the first meeting of each fiscal year, the Treasurer shall submit a report comparing appropriations to actual revenue and fund balance to actual expenses for the previous fiscal year.

Section 10. **Local Purchasing.** In awarding contracts for purchases or services, the Board may take into consideration the proximity of the bidder to the Village of Millington. The contract may be awarded to a local bidder, whose bid was not the lowest, if the difference in cost is only slight and that bidder has shown significant support of the Village of Millington, by way of donations or payment of Village Taxes.

Section 11. **Uniform Chart of Accounts.** The Downtown Development Authority chart of accounts, account numbering system, budget, and other financial records shall conform to all applicable State and Federal laws including Public Act 621 of 1978, State of Michigan.

Article VIII

BOOKS AND RECORDS

Section 1. **Bookkeeping, Minutes and the Annual Audit.** The Authority shall keep correct and complete records of books and accounts and minutes of Board meetings. The records shall be kept at the principal office of the Authority at which shall be maintained a record of the names and addresses of each member of the Board. The Authority's principal office shall be at the Millington Village Municipal Building. All books and records of the Authority shall be open to the public subject to and in accordance with Freedom of Information Act 442, Public Acts of 1976. At such time as State Captured Funds are used, an annual audit by an independent certified public accountant will be conducted, under the direction of the Treasurer, and copies shall be submitted to the Board.

Section 2. Fiscal Year. The fiscal year of the Authority shall begin on the first day of March of each year and end on the last day of February of the following year.

Article IX

RAISING OF FUNDS

- Section 1.** Bonds. The Authority may borrow money and issue:
- i. Revenue bonds therefor pursuant to the Revenue Bond Act and Act 94, Public Acts of 1933, as amended; and/or
 - ii. Tax increment bonds pursuant to Section 16 (2) of the Act. Bonds issued by the Authority shall not, except as provided in the Act, be deemed a debt of the Village or of the State of Michigan.

Section 2. Development Plans and Tax Increment Financing Plans. When the Authority determines that it is necessary, in order to carry out and/or finance its activities, the Authority shall prepare and submit a Development Plan and/or Tax Increment Financing Plan to the Village Council. Any such plan or plans shall contain the information required in Section 214(1) of the Act, as may be applicable.

Section 3. Other Means of Financing. The Authority may derive revenue from any property, building, or facility owned, leased, licensed or operated by the Authority or under its control, subject to the limitations imposed upon the Authority to trusts or other agreements. The Authority may also obtain money from any other sources as provided for in Section 211 of the Act and approved by the Village Council of the Village of Millington.

Article X

DISTRICT BOUNDRIES

The Authority shall exercise its powers within the area described within Ordinance of the Village of Millington, as the same may be amended from time to time.

Article XI

AMENDMENT AND REPEAL OF BY-LAWS

These By-Laws may be altered, amended or repealed by new By-Laws adopted, by the affirmative vote of a majority of the members of the Board at any regular meeting.

Article XII

TRANSPARENCY

As provided for in the P.A. 57 of 2018, the DDA is required to regularly maintain all authority records and documents on a website and to file with the MI Department of Treasury to allow for complete transparency to residents and taxing units.

Article XIII

INDEMNIFICATION

Any member of the Board, and any officer or employee of the Authority, shall be indemnified by the Authority for expenses (including reasonable attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action or suit by or in the right of the Authority, in the event of which such indemnification may extend only to expensed, including reasonable attorney's fees, actually and reasonably incurred in connection with the defense or settlement of such action or suit and the only if such person acted in good faith and in a manner he reasonably believed to be in, and not opposed to, the best interest of the Authority). No person shall be so indemnified in relation to any matter in any action suit or proceeding as to which he shall finally be adjudged to have been guilty of or liable for gross negligence, willful misconduct or criminal acts. No person shall be so indemnified in relation to any matter, action, suit or proceeding which has been made the subject of a compromise and the Board acting by a majority vote of members not parties to the same or substantially the same action, suit or proceeding. The foregoing right of indemnification shall not be deemed exclusive of other rights to which such person may otherwise be entitled, and shall continue as to a person who has ceased to be a member of the Board, officer, or employee and shall inure to the benefit of the heirs, executors and administrators of such person.

The Authority may, upon the affirmative vote of a majority of the Board, purchase insurance for the purpose of indemnifying Board members and officers and other employees of the Authority to the extent that such indemnification is allowed under the preceding paragraph. Such insurance may, but need not be for the benefit of all members, officers, and employees.

Expense incurred in defending a civil or criminal action, suit or proceeding described in the first paragraph of the Article XII may be paid by the Authority in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the member of the Board, officer or employee to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Authority as authorized in the Article XII.

Approved by Downtown Development Authority Board of Directors: June 10, 2019

Approved by the Millington Village Council on August 13, 2019