

# Coloma Watervliet Area Economic Development Corporation Bylaws

As amended November 1996 & September 2003

## ARTICLE I

### PURPOSES

The Corporation is organized for the specific purpose and primary purpose of furthering the common interest of the Greater Coloma Watervliet Area by promoting the retention and growth of commercial and industrial enterprises in the Participating Municipalities of the City and Township of Coloma and the City and Township of Watervliet, Berrien County, Michigan, and to engage in any activities related or incidental thereto which may be permitted pursuant to Michigan Public Act 162 of 1982, as amended, subject to the limitations set forth in Article IV of the Articles of Incorporation.

## Article II

### DIRECTORS

**Section 1. Powers.** Subject to the limitation of the Articles of Incorporation of the corporation, these Bylaws and the laws of the State of Michigan, the affairs of the corporation shall be managed by the board of directors. The board of directors is empowered on behalf of the corporation to do and perform all acts necessary, appropriate, or incident to the accomplishment of the purposes of the corporation.

**SECTION 2. Appointment.** The Board of Directors shall consist of nine (9) members appointed as follows:

Two (2) members appointed by each of the four (4) Participating Municipalities,  
One (1) member being appointed from the Municipality's Board and one (1)  
Member from the population at large

One (1) member appointed by the combined Coloma Watervliet Area Chamber  
Of Commerce

**SECTION 3. Term; Initial Board.** Each director shall hold office for three (3) years or until his prior death, resignation, incapacity to act, or removal. The initial directors shall serve staggered terms, so that the terms approximately one third (1/3) of the board of directors will expire each year. The initial directors, their terms of office and the Participating Municipalities or other entities, or persons, which appoint them, are as follows:

Director	End of Term	Appointing Entity/Person
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**SECTION 4. Vacancy.** In the event any vacancy shall occur in the board of directors because of death, resignation, incapacity to act or removal of a director, the entity (ies) or persons which appointed such director shall, within a reasonable time, fill the vacancy, but only for the remainder of the term that would otherwise have been completed.

**SECTION 5. Resignation.** A director may resign at any time by giving written notice to the Secretary of the corporation, who shall advise the board of directors of such resignation. Such resignation shall take effect upon receipt of the corporation or at such later time as may be specified in the notice of resignation. Acceptance of such resignation shall not be necessary to make it effective.

**Section 6 Removal.** A director may be removed from office by a vote of a majority of the director at any meeting, if such director fails to attend three (3) consecutive regular meetings of the board of directors without an excused absence or good cause. In addition, a director may be removed with or without cause, by the entity (ies) which anointed him.

**SECTION 7. Regular Meetings.** Regular meetings of the board of directors of the corporation shall be held at such time and place as the board of directors may designate from time to time. Notice of all meetings shall conform to the provisions of the State of Michigan Open Meetings Act.

**SECTION 8. Special Meetings.** Special meeting of the board of directors or any purpose (s) shall be held whenever called by the Chairperson of the corporation or, in his absence the Secretary, and shall be called by the Chairperson, or in his absence by the Secretary, or any other officer, at the written request of any two (2) directors delivered to such officer. Such request shall state the purpose or purposes of the proposed meeting.

**SECTION 9. Place of Meetings.** Meetings of the board of directors shall be held at any place within the County of Berrien, which may be designated from time to time by resolution of the board. In the absence of such designation, meetings of the board of directors shall be held at the corporation office.

**SECTION 10. Notices.** No notice of regular meetings of the directors shall be required. At least five (5) days' notice of the place, day, and hour of any special meeting of the directors shall be given by written or printed notice served upon each director. Service of notice may be made personally or by first class mail. Notice by mail shall be deemed to be given at the time when the same is deposited in the United States mail, with postage fully paid, plainly addressed to the director entitled to the notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need to specified in the notice of such meeting.

**SECTION 11. Waiver of Notice.** Notice of the time and place of any special meeting of the board of directors may be waived in writing either before or after such meeting has been held. If all the directors waive notice of the meeting, no notice of the same shall be required. Attendance of a director at a special meeting shall constitute a waiver of notice of such meeting except when the director attends the special meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any director failing to designate address or a change of address to the Secretary shall be deemed to have waived notice of such meeting except at the address on record with the Secretary.

**SECTION 12. Action Without Meeting.** Any action, which may be taken at a meeting of the board of directors, may be taken without a meeting if all the directors shall consent in writing to such action. Such action by written consent shall have the same force and effect as the unanimous vote of the directors.

**SECTION 13 Quorum.** A majority of the directors then in office shall constitute a quorum for the transaction of business, except as otherwise provided by law or by the Articles of Incorporation.

**SECTION 14. Adjournment.** Any meeting of the board of director, whether regular or special, and whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the directors present. Notice of the time and place of an adjourned meeting need not be given to absent directors if said time and place are fixed at the initial meeting. At any such business may be transacted which might have been transacted at the initial meeting.

**Section 15. Organization.** The Chairperson of the corporation, or in this absence, the Vice Chairperson, or in his absence a Chairperson chosen by a majority of the directors present, shall act as Chairman at every meeting of the board of director. The Secretary of the corporation, or in his absence, any person anointed by the Chairperson of the meeting, shall act as secretary of the meeting.

**SECTION 16. Compensation:** The directors shall serve without compensation. Upon resolution of the board of directors, the directors may receive reimbursement for expenses incurred for attendance at any meeting of the board or for any reasonable and necessary expenses incurred in connection with the conduct of the business of the corporation. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and of receiving compensation thereof.

**SECTION 17. Board Committees.** The board of directors may by appropriate resolution designate one (1) or more committees, each of which shall consist of one (1) or more directors elected by the board of directors, which to the extent provided in said resolution or in these Bylaws, may exercise, when the board of directors is not in session, any or all powers and authority of the board of directors in the management of the business and affairs of the corporation, except that not such committee shall have power or authority to:

- (a.) Amend the Articles of Incorporation.
- (b.) Adopt an agreement of merger or consolidation.
- (c.) Sell, lease or exchange all or substantially all of the corporation's property and assets.
- (d.) Dissolve the corporation or revoke a dissolution.
- (e.) Amend these Bylaws.
- (f.) Fill vacancies on the board.
- (g.) Fix compensation of the directors for serving on the board or on a committee.

Such committee(s) and each member thereof shall serve at the pleasure of the board. Such Committee(s) shall have the same power to act without a meeting as is provided in Section 12 of this Article III with respect to the board of directors. Records of the action taken by such committee(s) shall be prepared and kept with the records of the corporation. The designation of such committee(s) and delegation thereto of authority shall not operate to relieve the board of directors or any individual director of any responsibility imposed upon it or him by law.

**SECTION 18. Advisory Committees.** The board of directors may appoint from their number, or from among such other persons as the board of directors shall determine, one or more advisory committees and may, at any time, appoint additional members thereto. The members of such advisory committee shall serve at the pleasure of the board of directors. Such advisory committee shall advise and assist the board of directors and its officers in all matters designated by the board of directors. Each such advisory committee may, subject to the approval of the directors, prescribe rules and regulations for the call and conduct of meetings of the advisory committee and other matters related to its procedures and duties.

**SECTION 19. Meeting by Telephone or Similar Equipment.** Any member of the board of directors or of a committee designated by the board may participate in a meeting of such board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

**Section 20. Addition of Participating Municipalities.** If a municipality desires to become a Participating Municipality hereunder, the Board of Directors hereof shall make a recommendation to the current Participating Municipalities, who shall vote on the same with a majority vote deciding the issue.

### ARTICLE III

#### OFFICERS

**SECTION 1. Officers.** The corporation shall have a Chairperson, Vice Chairperson, Secretary and Treasurer and any such other officers as the board of directors may appoint. Any two (2) of said offices may be held by the same person, except that the offices of Chairperson and the Treasurer may not be held by the same person. The Chairperson and Vice Chairperson shall be directors.

**SECTION 2. Election.** The officers of the corporation shall be elected by the board of directors at this first regular meeting in any fiscal year. Each officers shall hold office until his successor shall have been duly elected and qualified, or until his death, resignation, incapacity to act, or removal.

**SECTION 3. Removal of Resignation.** Any officer may be removed from office by the affirmative vote of two thirds (2/3) of all the board of directors at any regular or special meeting called from that purpose, for nonfeasance, malfeasance, or misfeasance, for conduct detrimental to the interest of render reasonable assistance in carrying out its purposes. Any officer proposed to be removed shall be entitled to at least five (5) days notice in writing or by mail of the meeting of the board of directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the board of directors at such meeting. Any officer may resign his office at any time; such resignation shall take effect upon receipt of written notice thereof by the corporation or at such later time as may be specified in the notice of resignation. Acceptance of such resignation shall not be necessary to make it effective.

**SECTION 4. Vacancies.** The board of directors may fill a vacancy occurring in any office, for any reason. Any officer elected to fill a vacancy shall hold office only until the term of his predecessor expires.

**SECTION 5. Vice Chairman.** At the request of the Chairperson, or in the event of his absence or disability, the Vice Chairman shall perform the duties and possess and exercise the powers of the Chairperson; and to the extent authorized by law, the Vice Chairperson shall have such other powers as the board of directors may determine and shall perform such other duties as may be assigned to him by the board of directors.

**SECTION 6. Secretary.** The secretary shall have charge of all official records of the corporation and other documents and papers as the board of directors shall determine. Such records, documents and papers shall be kept at the principal office of the corporation. He shall keep a record containing the names, alphabetically arranged, of all persons who are members of the board of directors, showing their addresses. He shall in general, perform all the duties incident to the office of the Secretary, subject to the control of the board of directors, and shall do and perform such other duties as may be assigned by the board of directors.

Annually, at the January meeting each year, the Treasurer shall submit a resolution to the Board of Directors for approval designating the repository banking institution(s) for corporation funds and the names of officers who shall be designated signatories for corporation funds. All financial transactions of the corporation shall require the signature of any two of the designees. The Treasurer shall file with the Board of Directors prior to April 1<sup>st</sup> each year, in the form prescribed by the Board of Directors, an annual financial report concerning the operations of the corporation for the immediate past fiscal year.

**SECTION 7. Treasurer.** The treasurer shall have charge of such books, financial records of the corporation and other documents and papers, as the board of directors shall determine. Such books, financial records, documents and papers shall be kept at the principal office of the corporation. He shall prepare such periodic financial reports of income and expenses and assets of the corporation, as the board of directors shall require. He shall in general, perform all the duties incident to the office of the Treasurer, subject to the control of the board of directors, and shall do and perform such other duties as may be assigned by the board of directors.

**SECTION 8. Other Officers.** All other officers, as may from time to time be appointed by the board of director pursuant to this Article, shall perform such duties and exercise such authority, as the board of directors shall prescribe.

**SECTION 9. Absence of Officer.** In the case of absence or incapacity to act of any officer, or for any other reason that the board may deem sufficient, the board may delegate for the time being the powers or duties of such officer to any other officer or to any director.

**SECTION 10. Compensation.** No officer of this corporation shall receive compensation for his service in such capacity. An officer may, however, upon resolution of the board of directors, be reimbursed for any reasonable and necessary expenditures incurred by that officer in connection with the conduct of the business of this corporation.

## ARTICLE IV

### ANNUAL BUDGET

**SECTION 1. Annual Budget.** The board of directors shall prepare and adopt annually a budget. Such budget shall be presented to the Participating Municipalities on or before December 1 of each year. The funds required by such budget, as finally approved, shall be allocated among the Participating Municipalities according to a formula approved by the board of directors. The formula shall contain a per capita, real property tax valuation or other index to assure equality in the allocation of the budget among the five Participating Municipalities. The formula, if based on real property valuation shall stipulate that only 50 percent of the Bainbridge Township real property tax valuation shall be used in the formula.

## ARTICLE V

### INSTRUMENTS; BANK ACCOUNTS; CHECKS AND DRAFTS; LOAN; SECURTIES

**SECTION 1. Execution of Instruments.** Except as otherwise provided in these Bylaws, the board of directors may authorize any officers or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the need of and on behalf of the corporation, and such authorization may be general or confined to specific instances. Except as so authorized, or as in these Bylaws otherwise expressly provided, no office, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

**SECTION 2. Accounts.** The board of directors from time to time may authorize the opening and keeping of general and /or special depository accounts with such banks, savings, and loans or other depositories as may be selected by the board or by any officer(s) or agents(s) of the corporation to whom such power may be delegated by the board of directors. The board of directors may make such rules and regulation with respect to such accounts, not inconsistent with provisions of these Bylaws, as the board may deem expedient. The board of directors may last authorize the making of such other lawful investments, as the board may deem appropriate.

**SECTION 3. Checks and Drafts.** All checks, drafts, or other orders for payment of money, notes, acceptances, or other evidences of indebtedness charged in the name of the corporation, shall be signed by such officer(s) or agents(s) of the corporation and in such manner as the board of directors shall determine from time to time by resolution. Endorsements for deposit to the credit of the corporation in any of its duly authorized depositories may be made by the Chairperson, Vice Chairperson, Secretary or Treasurer, or by any other officer or agency of the corporation to whom the board of directors, by

resolution, shall have delegated such power, or by hand stamped impression in the name of the corporation.

**SECTION 4 Loans.** No loans shall be construed on behalf of the corporation and no evidences of indebtedness shall be issued in his name unless authorized by or under the authority of a resolution of the board of directors. Such authority may be general or confined to specific instances.

**SECTION 5. Sale of Securities.** The board of directors may authorize and empower any officer or officers, agent or agents, to sell, assign, pledge, or hypothecate any and all share of stocks, bonds, or securities, or interest in stocks, bonds, securities, owned or held by the corporation at any time, including without limitation because of enumeration, deposit certificated, for stock and warrants or rights which entitle the holder thereof to subscribe for shares of stock, and to make, execute, and deliver, to the purchased or purchasers, pledges, on behalf and in the name of the corporation, any assignment of bonds or stocks certificates presenting shares of stock owned or held by the corporation, and any deposit certificated for stock. Such authorization may be general or confined to specific instance.

This section 5 shall be deemed to limit any other power the board of directors may have had under the laws of the State of Michigan with respect to the sale of the corporation's assets.

**SECTION 6 Fidelity Bonds.** The board of directors may require any officer, agent or employee of the corporation specifically designated by the board of directors by resolution to execute a fidelity bond in favor of the corporation in the penal sum specified by the board of directors by resolution. Each such fidelity bond shall be executed by the officer, agent, or employee as principal and by a corporate surety company approved by the board of directors, provided, however, that blanket bonds may be employed in lieu of individual bonds in the case of employees. All premiums or fidelity bonds required of officers, agents, and employees hereunder shall be paid by the corporation and such premiums shall be paid by the corporation and such premiums shall be a corporate expense.

## ARTICLE VI

### INDEMNIFICATION

**SECTION 1. Indemnification Other Than in Actions of in the Right of the Corporation.** Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee, or agent of the



corporation or is or was serving at the request of the corporation as trustee, director, officer, employee, or agent of another corporation partnership, joint venture, trust, or other enterprise, shall be indemnified by the corporation against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation or its members, and with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation or its members, or, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

**SECTION 2. Indemnification in Action by or in the Right of Corporation.** Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a trustee, director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprises shall be indemnified by the corporation against expenses (including attorneys' fees) actually and reasonable incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation or its members, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless only to the extent that the court is which such action or suit is brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem property.

**SECTION 3. Expenses.** To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 or 2 of this Article, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

**SECTION 4. Authorization of Indemnification.** Any indemnification under Sections 1 or 2 of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, employee or agent is proper in the circumstances because he has met the application able standard of conduct set forth in this Article.

Such determination shall be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or even if obtainable, if quorum of disinterested directors so directs, by independent legal counsel (who may be the regular counsel of the corporation) in a written opinion.

**SECTION 5. Advancing of Expenses.** Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sections 1 or 2 of this Article may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the board of directors in the manner provided in Section 4 upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

**SECTION 6. Indemnification Hereunder Not Exclusive.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a party seeking indemnification may be entitled under any Bylaw, agreement, vote of disinterested directors, or otherwise, both as to action in his official capacity as to action in another capacity while holding such officer, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, and personal representatives of such a person.

**SECTION 7. Insurance.** The corporation may purchase and maintain insurance on behalf of any person who is or was serving at the request of the corporation as a trustee, director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

## ARTICLE VII

### CONFLICT OF INTEREST

**SECTION 1. Disclosure.** A director, officer, employee, or agent who has a direct interest in any matter before the corporation shall disclose such interest as soon as practicable and, in any event, before any action is taken by the corporation with respect to the matter. The interested party shall refrain from participation in the corporation's proceedings relating to the matter. The disclosure shall become a part of the corporation's permanent records.

**SECTION 2. Effect of Violation.** Any director, officer, employee or agent violating the provisions of Section 1 immediately above shall, if a director or officer, be subject to termination.

## ARTICLE VIII

### MISCELLANEOUS

**SECTION 1. Fiscal Year.** The fiscal year of the corporation shall be the year ending January 1<sup>st</sup> to December 31<sup>st</sup> unless some other fiscal year is fixed by resolution of the board of directors.

**SECTION 2. Amendments.** The directors of the corporation may at any meeting amend, alter, or repeal of such directors, provided the substance of the proposed amendment, alteration or repeal shall have been stated in the notice of the meeting, or by unanimous vote of all the directors of the corporation in the event such notice has not been given. Such amendment, alteration or repeal may also be effected by unanimous written consent of all the directors of the corporation acting without a meeting. However, no such action shall be effective if, within 45 days there after, such action shall be objected to be any of the Participating Municipalities. Any such action amending, altering, or repealing a provision of these Bylaws by the board of directors shall be submitted in writing to the Participating Municipalities within five days after adoption.

Notwithstanding the foregoing, the directors of the corporation may take action to amend, alter, or repeal any of these Bylaws as provided above and make the same effective immediately without a right of a Participating Municipality to object thereto if such amendment, alteration or repeal pertains solely to obtaining or maintaining tax exempt status for the corporation.

**SECTION 3. Gender and Captions.** As used in these Bylaws, the masculine pronoun shall include the feminine. Captions are included in these Bylaws for convenience only and shall not be considered as part of these Bylaws in interpreting the provisions thereof.

I, Mary Tatter, Secretary of CWAEDC, hereby certify that the above Bylaws were adopted by the board of directors of said corporation as the 21<sup>st</sup> day of November 1996.

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Mary Tatter, Secretary