

BY-LAWS
OF
DOWNTOWN DEVELOPMENT AUTHORITY
OF NEDERLAND, COLORADO

ARTICLE 1.000

1.100 Establishment. Under ordinance number 599, the Nederland Board of Trustees established a Downtown Development Authority known as the “Nederland Downtown Development Authority,” as a body corporate.

1.200 Purpose. The Authority is established to halt and prevent deterioration of property values within its district and to assist in the development and redevelopment of its district and to use its power to promote the general welfare of the district by the use of its direct and supplemental powers.

1.300 Powers. By ordinance of the Town of Nederland, the Downtown Development Authority has all the powers authorized by Part Eight of Article 25 of Title 31, Colorado Revised Statutes 1973, and all additional and supplemental powers necessary or convenient to carry out and effectuate the purposes and provisions of said Part Eight. A copy of Part Eight, contingent on amendment that may occur from time to time is attached here to and incorporated by this reference as if fully set forth.

1.400 Seal. The Authority shall have a seal, which shall be circular in form and shall have inscribed thereon the name of the Authority and the word, "SEAL."

1.500 Offices. The Downtown Development Authority shall have the power to maintain an office within the boundaries of the Town of Nederland.

1.600 Annual Budget. Each year the Board shall consider and approve a budget pursuant to Section 3.550. After such approval, the budget shall be submitted to the Nederland Board of Trustees for its approval.

ARTICLE 2.000

THE BOARD OF THE DOWNTOWN DEVELOPMENT AUTHORITY

2.100 Board Members. The Chairman and the Members of the Board shall manage the affairs of the Authority.

2.110 Membership. The number and terms of Board Members shall be determined by resolution of the Town of Nederland Board of Trustees in accordance with 31-25-805 C.R.S. 1973, as amended.

2.120 Members shall serve staggered terms and shall serve until their term ends. Members may be reappointed.

2.130 A member representing the Nederland Town Board shall serve at the pleasure of the Town of Nederland Board of Trustees.

2.140 Eligibility. Each Board Member, except the representative from the Town of Nederland Board of Trustees, shall be appointed in accordance with eligibility requirements as stated in Section 31-25-806 of C.R.S. as amended. No officer or employee of Nederland, other than an appointee from the Nederland Town Board, shall be eligible for appointment to the DDA Board.

2.150 Compensation. All Members, including the Chair, shall serve without compensation, but they may be reimbursed for actual and necessary expenses incurred on behalf of the Authority.

2.200 Vacancies. In the event of one or more vacancies or expiration of any one or more Board Member's terms, the Authority may at a regular or specially called DDA Board Meeting, nominate replacement Board Member(s) for consideration by the Town of Nederland Board of Trustees. In the event a Board Member's term expired, the DDA Board shall nominate him/her for an additional term or nominate a replacement.

2.210 Nominations. The Authority may nominate a prospective Board member(s) to the Town Board at least sixty (60) days prior to the expiration of an

existing DDA Board member's term. When a vacancy is created the Authority shall nominate a prospective DDA Board Member(s) promptly after it receives notice of the vacancy(ies). DDA Board Member(s) shall give at least ninety (90) days notice of their intent to not renew their position or that they will be resigning their position on the DDA Board.

2.220 Voting. Board Members, whose terms are being considered by the Authority for extension or replacement, are disqualified to vote on nominations for extension or replacement for their own term.

2.230 Appointment. The Town of Nederland Board of Trustees is not obligated to appoint DDA Board Members nominated by the Authority and may appoint DDA Board Members of their own selection. However, should the Town Board fail to extend the term of, or replace, any existing DDA Board Member nominated by the Authority for term extension, such Board Member shall continue to serve as a DDA Board Member until a successor has been appointed and qualified.

2.240 Removal. After notice and a public opportunity to be heard, the Board may request that a member(s) of the DDA Board be removed for cause by the Town of Nederland Board of Trustees. A DDA Board Member(s) may be removed by the Town Board for misfeasance, malfeasance, nonfeasance or any other

violation of the public trust or affront of the dignity of the Board.

ARTICLE 3.000

OFFICERS OF THE DOWNTOWN DEVELOPMENT AUTHORITY

3.100 Board Chair. The Board Chair shall preside at all meetings of the Authority except as otherwise authorized by resolution of the Authority. The Chair shall sign all contracts, deeds and other instruments made by the Authority. At each meeting, the Chair shall submit such recommendations and information as deemed necessary for the proper administration of the business affairs and policies of the Authority.

3.110 Election. At the first regularly scheduled meeting of the Board in July of each year, a Chair shall be elected to preside at the meetings of the Authority with the full power to vote on any issue, except as otherwise provided herein. The Chair shall serve until election of a new Chair at the first regular meeting the following July, at which time the Chair may be renominated or a new Chair may be elected.

3.200 Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair and, in case of the resignation of the Chair, the Vice-Chair shall perform the duties of the Chair, until such time as the

Authority shall select a new Chair. The Vice-Chair shall be elected in the same manner and at the same time as the Chair. An Interim Vice-Chair may be elected to perform the duties of the Vice-Chair in the absence or incapacity of the Vice-Chair, if desired by the Board.

3.300 Treasurer. The Treasurer shall keep the financial records of the Authority and, together with the Director, or in lieu of no such director, the Chair, shall approve all vouchers for the expenditure of funds of the Authority. The Treasurer shall prepare and submit a monthly report stating the assets, liabilities and year-to-date and month-to-date expenditures of the Authority. The Treasurer shall submit the report to the Director or Chair and the Director or Chair shall report to the Board.

3.400 Secretary. The Secretary shall maintain custody of the official seal and of all records, documents, or other papers not required to be maintained by the Treasurer. The Secretary shall attend all meetings of the DDA Board and keep a record of all its proceedings, file minutes with the Town Clerk of all regular and special meetings and shall perform such other duties as required by law, agreement with the Town Board or as may be delegated to him/her by the Board. The Secretary shall have power to affix the Authority's seal to and attest all contracts and instruments to be executed by the Authority.

3.500 Director. Pursuant to the requirements of 31-25-815 C.R.S. 1973, the Downtown Development Authority shall employ a Director. In the absence or disability of

the Director, the DDA Board may designate a qualified person to perform the duties of the office of acting Director. The Nederland DDA shall appoint a director at the time it has sufficient funds to do so.

3.510 Appointment. The Board shall appoint a Director pursuant to the requirements as stated in Section 31-25-815 C.R.S. The Director is the DDA Board's employee and shall serve at the pleasure of the Board. The Board shall periodically review the Director's performance. The Director is and shall be an at-will employee. The compensation to be paid to the Director shall be established by the Board and budgeted accordingly.

3.520 Responsibility. The Director shall be the Chief Executive Officer of the Authority and shall have general supervision over and be responsible for the performance of the functions of the Authority. Subject to and in accordance with these bylaws and direction by the Board, the Director may expend funds in accordance with standard, generally accepted governmental accounting and fiscal management practices. The signature of the Director and the Treasurer shall be required on all vouchers for the payment of all expenses.

3.530 Staff. The Director shall be responsible for hiring and supervising a subordinate staff and for providing reports to the Board. A staffing report shall be submitted monthly, which report shall include but

not be limited to recommendations for staff hiring, separations, salaries and assigned duties of each staff member. Staff shall serve under the direction of the Director. The Director shall control employment activities in accordance with the Personnel Rules of the Town of Nederland as amended or otherwise established by the Board.

3.540 Bond. The Board may require a bond from the Director, or, by resolution, waive the bond requirement.

3.550 Budget. The Director, working with the Treasurer, shall annually prepare a budget and submit it to the Board for its approval, in accordance with applicable State Statutes and Financial Management Rules for the Town of Nederland. The budget shall indicate the amount of compensation to be paid staff and the amounts to be devoted to specific Authority projects. Until the time the Director is appointed, the Authority shall annually submit a budget to the Town of Nederland Board of Trustees for review and approval in accordance with the Town's annual budget schedule.

ARTICLE 4.000

MEETINGS

4.100 Regular Meetings. The regular meetings of the Board shall be at such time and place as determined by

the Board. Regular meetings may be recessed and continued at another date. The Director shall send notice by mail, facsimile transmission or electronic mail (e-mail) to each Board member at least 24 hours in advance of each meeting stating the time and location within the Town of Nederland where the meeting is to be held. By resolution, the Board may direct that a regular meeting not be held, but in no event shall more than two consecutive scheduled meetings be canceled.

4.105. Regular meetings may be conducted in all or part by electronic means by one or all of it's Board Members.

4.110 Attendance. In the event of the absence of a Board Member for three consecutive regular meetings, a letter may be written by the Director, at the direction of the Board, to the Town of Nederland Board of Trustees, requesting removal of that Board Member pursuant to Article 2.240 of these rules.

4.200 Special Meetings. Special meetings of the Authority may be called by the Chair or in the Chair's absence, the Vice-Chair, at a convenient place and time. The Director shall send notice by mail, facsimile transmission or electronic mail (e-mail) to each Board member at least two (2) days in advance of each meeting stating the time and location within the Town of Nederland where the meeting is to be held.

4.300 Open Meetings. All meetings of the Board shall

be open to the public, except those that may lawfully be closed by law.

4.400 Quorum. The Quorum necessary to conduct all business shall be a majority of all Board Members, including any present by electronic means.

4.500 Voting. All regular business matters shall be decided by a majority of the Quorum unless otherwise provided for in these by-laws or by law.

4.600 Rules of Order. All meetings shall be conducted under the most recent Edition of Robert's Rules of Order, Revised, except as otherwise provided by these By-Laws and 35-25-801, et seq., C.R.S. 1973 as amended.

ARTICLE 5.000

CONTRACTS; FINANCE

5.100 Contracts. The Board may authorize, by resolution, the Chairman or the Director, consistent with the authority stated by the resolution, to enter into any contract or execute any instrument in the name of and in behalf of the Authority.

5.200 Finance

5.210 Deposits. All funds of the Authority will be deposited in a special account by the Board Treasurer.

5.220 Vouchers. All vouchers for the payment of accounts shall be submitted by the Director or Chair to the Treasurer for payment from funds deposited to the credit of the Authority. The Director and/or Chair and the Treasurer shall approve all vouchers for the expenditure of funds of the Authority.

5.230 Loans. No loans shall be contracted for on behalf of the Authority and no evidence of indebtedness shall be issued, except by resolution of the Board. Such resolution may be general or confined to specific instances.

5.300 Property. The Authority may hold property in its name as directed by resolution of the Board and as permitted by 31-25-801, et seq., C.R.S 1973, as amended.

ARTICLE 6.000

AMENDMENTS

6.100 Amendments. The By-Laws of the Authority may be amended at any regular or special meeting by a two-thirds vote of the entire Board. No such amendment shall be adopted unless at least two days notice, as provided in 4.100, has been previously given to all Board members. All amendments to these bylaws shall be reviewed in accordance with 8.100 and if approved, filed in the office of the Town Clerk for the Town of Nederland.

ARTICLE 7.000

INDEMNIFICATION

7.100 Indemnification. Any of the Authority's officers, Directors and other employees may be indemnified or reimbursed by the Authority for reasonable expenses (including, but not limited to, attorney's fees, judgments and payments in settlement) actually incurred in connection with any action, suit or proceeding, civil or criminal, actual or threatened, to which he or they shall be made a party by reason of his being or having been, or by reason of any actual or alleged acts performed or omitted to be performed in connection with his being or having been a Board member, officer or employee of the Authority; provided, however, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit or proceeding as to which he shall finally be adjudged to have been guilty or liable for gross negligence or willful misconduct or criminal acts in the performance of his duties to the Authority; and provided further, that no person shall be so indemnified or reimbursed in relation to any matters in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the Board of Directors of the Authority acting by vote of Directors not parties to the same or substantially the same action, suit, or proceeding, indemnification or reimbursement shall not be exclusive of other rights to which such person, his

heirs, executors or administrators, may be entitled as a matter of law.

7.200 Insurance. The Board may, upon affirmative vote of its Board of Directors, purchase insurance for the purpose of indemnifying its Board Members, officers and other employees of the extent that indemnification is allowed in Section 7.100. The Board and its Director may participate in the Town's insurance policies with the approval of the Town Board and the Town's insurance providers.

ARTICLE 8.000

APPROVAL OF BY-LAWS

8.100 Approval. Upon approval of these By-Laws by a two-thirds vote of all Members of the Board, they shall be submitted to the Town of Nederland Board of Trustees for approval, and upon the approval of the Town of Nederland Board of Trustees shall be filed with the Town Clerk and all statutorily permissible acts previously taken by the Board and its Director shall be ratified and confirmed, by both the Board and the Town of Nederland Board of Trustees.

ARTICLE 9.000

DISSOLUTION

9.100 Dissolution. Upon resolution by a two-thirds vote of all Members of the Board of the Downtown

Development Authority, the Board may request the Town of Nederland Board of Trustees to dissolve the Authority provided that all statutory requirements are satisfied.