PUBLIC LIGHTING AUTHORITY

BYLAWS

Amended March 18, 2015

Adopted: 9/11/2013
Amended: 3/18/2015

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Public Lighting Authority
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ARTICLE I
OFFICES

1.1. Principal Office. The principal office of the Public Lighting Authority (hereinafter "Authority"), is 65 Cadillac Square, 3100 Cadillac Tower, Detroit, Michigan 48226, but may be changed to such place within the City of Detroit as the Board of Directors (hereinafter "the Board") shall determine.

1.2. Other offices. Other offices for the Authority may be designated by the Board of Directors as the business of the Authority may require.

ARTICLE II
BOARD OF DIRECTORS

2.1. Power of the Board. Management of the business and the property of the Authority shall be by a Board of Directors who shall, unless otherwise provided in the Articles of Incorporation, these Bylaws, or by state statute, exercise all the powers of the Authority. The Authority possesses all the powers necessary to carry out the purposes of its incorporation pursuant to the Municipal Lighting Authority Act, 2012 PA 392, MCL 123.1261 – 123.1295 ("Act 392"). The Board of Directors shall annually review and establish goals and criteria for evaluating the performance of the Authority.

2.2 Duties of the Board.

(a) The Board of Directors shall prepare a plan for financing, operating, and maintaining a lighting system to supply lighting in sufficient quantities to the City of Detroit, subject to the agreement between the Authority and the City to provide for debt service and for the maintenance and operations costs of the system.

(b) The Board of Directors shall authorize specific actions and employ qualified persons to implement the resolutions, policies, and procedures of the Board.

(c) The Board of Directors shall exercise broad, general control and provide direction to the Authority by resolution, policy determination, cooperative planning with Authority staff and the City of Detroit, and public participation.

(d) The Board of Directors shall develop fiscal policies, plan the budget, and approve expenditures in accordance with the law and with Board policies.

(e) The Board of Directors shall approve any issuance of bonds or any ancillary facilities for financing the construction of a lighting system in accordance with a properly approved plan.

2.2. Number of Directors. The number of Directors shall be five (5).

2.3. Voting. Each Director shall have one vote on all matters requiring Board action. All votes taken by the Board may be done collectively by voice vote, except that any votes taken on bond or ancillary facility issues, personnel matters, election of Board officers, and those matters required by law to be by roll call, shall be taken and recorded as a roll call vote. Except as otherwise permitted by law, all votes of the Board of Directors shall be conducted at an open meeting.

2.4. Term and Appointment. Each Director shall serve a three year term; provided, however, that in order to achieve staggered terms of office, the initial appointments will vary in length as prescribed by Act 392. Each Director shall be initially appointed in the manner provided by statute. The term of a Director appointed pursuant to Act 392 shall expire upon the expiration of the term of the Mayor of the City of Detroit or the City Council of the City of Detroit. The term of a Director may be terminated as prescribed by law.

2.5. Expenses. Directors shall not receive any salary or other compensation for their services; however, they may be reimbursed for actual expenses incurred or to be incurred in the conduct of the business of the Authority.

2.6 Vacancies. Vacancies shall be filled in the same manner as initial Board members are appointed as provided by statute. A Director appointed to fill a vacancy shall be appointed for the unexpired term of his/her predecessor in office.

2.7 Removal of Directors. A Director may be removed as prescribed by law.

2.8 Resignation. Any Director may resign from the Board by presenting to the Secretary a written statement of resignation prior to the proposed termination date.

2.9. Place of Meetings. The place of all meetings of the Directors shall be at the principal office of the Authority, unless otherwise determined by the Board of Directors and proper Notice has been provided as required by law.

2.10. Annual Meeting. The annual meeting of the Directors shall be held once a year in July at a time and location set by the Directors. At the annual meeting, the Directors shall appoint officers, establish an annual calendar of regular meetings of the Board of Directors, and transact such other business as may properly be brought before the meeting. All new officers of the Board of Directors shall take office at the close of that meeting.

2.11. Regular Meetings. In addition to the annual meeting of the Board of Directors, the Directors shall ordinarily hold at least four (4) other regular meetings in September, November, March and May, each fiscal year. The Board may meet more frequently, if circumstances require.

2.12. Special Meetings. Special meetings of the Board of Directors may be called by the Chair, and shall also be called upon written request of any Director or the Chief Executive Officer, (hereinafter "CEO"). Any such request shall be in writing and shall state the purpose or purposes of the proposed meeting. The business transacted at a special meeting of the Board shall be limited to the purpose or purposes of the meeting as stated in the notice.

2.13. Board Notice. Notice to each Director of annual, special, regular and adjourned meetings of the Board of Directors shall be required. Notice of the time, place and purpose of the meeting of the Board shall be delivered, mailed or sent to each Director by email at least five (5) days prior to such meeting. Such notice may be waived by a Director in writing before any meeting. With the consent of all of the Board of Directors, meetings may be held without notice to a Director.

2.14 Quorum: Taking Action. Presence of at least a majority of the Board of Directors then in office shall constitute a quorum for the transaction of business including those that can participate via telephone conference or other agreed upon means of communication. The vote of a majority of the Directors present at a properly noticed meeting shall constitute the action of the Board. All official actions of the Board of Directors shall be memorialized either in a written resolution or in the official meeting minutes, each of which shall be maintained with the official documents of the Authority.

2.15 Absence. Each Director is expected to communicate with the Chair and Vice-Chair in advance of all Board meetings stating whether or not he/she is able to attend or participate by telephone conference or other agreed upon means of communication.

ARTICLE III
COMMITTEES

3.1 Appointment of Committees. At its discretion, the Board may establish such permanent or ad hoc committees as it deems necessary and convenient to carry out the purposes of the Authority. Each committee will consist of at least one committee chairperson and one or more committee members. Unless otherwise specified within these Bylaws, the chairperson and members of the committee will be appointed by majority vote of the Board of Directors. Each committee may exercise all powers and authority delegated to it in the Board resolution establishing the committee, except as restricted by these Bylaws and/or applicable law. Except for an Audit Committee created hereunder all other committees may include persons who are not also members of the Board and shall act in an advisory capacity to the Board.

3.2 Audit Committee.

(a) The Authority may establish an Audit Committee. The purpose of the Audit committee will be to assist the Board of Directors in fulfilling its responsibilities to: (i) oversee the Authority's accounting and financial reporting principles and policies and internal controls and procedures; (ii) oversee the Authority's financial statements and the independent audit; and (iii) select the Authority's outside auditors and evaluate their independence.

(b) The Audit Committee shall consist of all members of the Board. A majority of the members of the Committee shall constitute a quorum to transact business.

ARTICLE IV
AUTHORITY STAFF AND/OR CONTRACTORS

4.1. Appointment: Responsibilities – CEO. The Board of Directors shall appoint and employ a CEO. The CEO shall be the general manager responsible for the administration of the Authority's programs, finances and personnel within the framework of the policies, guidelines, and directives established by the Board of Directors. It shall be the responsibility of the Board of Directors to periodically define in writing and to communicate to the CEO, the duties, responsibilities and expectations, the scope of authority, and the communication and reporting obligations attendant to the position of CEO.

4.2. Appointment: Responsibilities – Program Manager. The Board of Directors may appoint a qualified individual or contract with a qualified firm to act as a Program Manager or Owner's Representative (the "PM/OR"). Responsibilities shall include, but not be limited to, responsibilities incident to managing the planning and implementation of necessary upgrades and

maintenance of a lighting system. It shall be the responsibility of the CEO to periodically define in writing, and to communicate to the PM/OR, the duties, responsibilities and expectations, the scope of authority, and the communication and reporting obligations attendant to the role of PM/OR.

4.3. Staff. The Board of Directors has delegated authority to the CEO who shall employ and discharge such staff, subject to the budget provisions and personnel policies established, from time to time, by the Board of Directors.

4.4. Management Authority. The CEO shall be responsible to the Board of Directors for the management of the affairs of the Authority subject to the approval and direction of the Board of Directors and shall work within an approved administrative budget approved by the Board. The CEO shall have the authority to make administrative expenditures in the ordinary course of business subject to policies, procedures and limits established by the Board of Directors in these By-laws, Board resolutions, and other pronouncements from time to time. The CEO shall also have the authority, without the necessity of any action by the Board of Directors, to submit proposals or applications for grants in order to augment the revenue of the Authority subject to the Board of Directors authority to approve any expenditures resulting from successful grant applications or proposals.

4.5. Delegation. Subject to these Bylaws and any other directives, limitations or restrictions imposed by law or the Board of Directors, the Board may, in writing, delegate its responsibilities and authority to the CEO as it, in its sole discretion, deems appropriate in the ordinary course of business.

4.6 Annual Evaluation. The Board of Directors shall conduct an annual evaluation of the CEO, and shall annually establish the amount of compensation for the CEO. The decision of the Board of Directors shall be well documented in the Board of Director meeting's minutes, and any compensation shall be just and reasonable.

ARTICLE V
MEETINGS

5.1. Rules of Order – Parliamentary Procedure. All meetings of the Board will be conducted in accordance with parliamentary procedures outlined in *Robert's Rules of Order, Revised*. The Chair will rule on all questions of procedure, but may be overruled by a majority of the Board. Suspension or alteration of any rule or regulation of the Board, or any addition to such rules and regulations may be affected by a majority vote of the Board at any regular meeting.

5.2. Participation by Electronic Method. A Director may participate in meetings by means of a conference telephone or similar communications equipment which allows all persons participating in the meeting to hear each other at the same time; *provided that* such electronic participation is in full compliance with the Open Meetings Act, 1976 PA 276, MCL 15.261 *et seq* (hereinafter "Act 276"). Participating by such means shall constitute presence in person at a meeting for purposes of meeting a quorum and for voting; however a Director's physical presence at such meetings is recommended and preferred.

5.3. Action by Consent. Any action required or permitted to be taken by the Board of Directors, except those matters that require a roll call vote, may be taken by placing the item on a consent agenda for a specific meeting. Any proposed item for the consent agenda must be provided to each Director at least seven (7) calendar days prior to the meeting in which the proposed consent items are to be considered.

5.4 Public Notice. Public notice of any annual, special, regular and adjourned meetings of the Board of Directors shall be in accordance with the Michigan Open Meetings Act, 1976 PA 276, MCL 15.261 *et seq*.

5.5 Open Meetings. Except as permitted by Act 276 or other applicable law, meetings of the Board of Directors shall be open to the public and shall be held in a place available to the public. Upon reasonable advanced notice by a disabled individual, the Board of Directors shall provide all accommodations required under the Americans with Disabilities Act, as amended, 42 U.S.C. 12101 *et seq*.

5.6 Closed Sessions. The Board of Directors may meet in closed sessions as permitted by the Open Meetings Act or other applicable law.

5.7 Meeting Cancellation. The Board of Directors hereby delegates its authority to the CEO to cancel meetings in the event a quorum will not be present, or in the event of extraordinary circumstances, and to post notice of such cancellation on the door of the Authority offices; on the Authority's website; and, if practicable, at the location the meeting was to be held.

5.8 Change of Meeting Location. Subject to the requirements contained in Act 276, the Board hereby delegates its authority to the CEO to change the location of meetings in the event of extraordinary circumstances, and to take all steps necessary to ensure the public is aware of such location change. Such steps shall include, at minimum, posting the change of location on the door to the Authority offices, posting the change of location on the Authority website, and having an Authority staff person at the place of the original location for at least ten minutes before the meeting time until ten minutes after the meeting time to notify the public of the

change in location. If reasonably practicable, the CEO shall also post a notice of the location change at the place of the original location.

ARTICLE VI
OFFICERS

6.1. Identity: Manner or Selection: Term of Office. The officers of the Authority consist of the Board Chair, a Vice-Chair, a Secretary, and a Treasurer. The Chair, Vice-Chair, Secretary, and Treasurer shall be selected from among the Directors. Subject to the foregoing, the officers of the Authority shall be selected by the Board of Directors at its annual meeting. Each officer's term of office shall continue until the next annual meeting of Directors and/or until his or her successor shall be appointed by the Board. The Board may also appoint additional officers and establish committees as the Board shall deem necessary for the transaction of the business of the Authority.

6.2 Other Officers and Agents. Other officers and agents may be appointed at any time by the Board of Directors as it shall deem necessary for the transaction of business. Such officers and agents shall exercise such powers and perform such duties as are delegated from time to time by the Board of Directors.

6.3 Removal. Any officer may be removed from office at any time and for any reason by a majority vote of the Board of Directors.

6.4 Resignation. Any officer may resign from his/her position as an officer by presenting to the Secretary a written statement of resignation prior to the proposed termination date.

6.5 Vacancies. Vacancies occurring in any office shall, to the extent possible, be filled by the Board of Directors on or before the next regularly scheduled meeting of the Board following the creation of the vacancy.

ARTICLE VII
DUTIES OF OFFICERS

7.1 Board Chair. The Board Chair shall preside at all meetings of the Board of Directors and all meetings of the Executive Committee, and in addition, shall have such other duties as may be delegated to him or her by the Board of Directors.

7.2 Vice Chair. During the absence or inability of the Board Chair, the Vice-Chair shall have the powers and perform the duties of the Board Chair, and in addition, shall have such other duties as may be delegated to him or her by the Board of Directors.

7.3 Secretary. The Secretary shall ensure that accurate and sufficient documentation is retained, including, but not limited to: (i) ensuring the recording, printing, and publishing of the minutes of all official meetings; (ii) ensuring all notices given or received by the Authority are in accordance with these Bylaws or as required by law; (iii) providing adequate notice to Directors of meetings; (iv) providing information as required by these by-laws to place items on a consent agenda; and (v) ensure that all records of the Authority are maintained and available for inspection by the public. The Secretary may be assigned additional duties from time to time by the Board of Directors; and may delegate certain duties to the CEO, as appropriate.

7.4 Treasurer. The Treasurer shall act as the Board's liaison to the Authority's auditor(s) and shall ensure the proper: (i) custody of all money and funds belonging to the Authority: (ii) ensure the preparation of all financial reports and information required by law; (iii) maintain accurate records to ensure the proper use of funds from bond issues; (iv) ensure the proper and accurate transfer and collection of funds of the Authority; (v) maintain the books and records of the Authority on an enterprise fund basis; and (vi) within 20 days after the end of each month, ensure that a detailed summary of all cash receipts and disbursements and change in cash balance is prepared and submitted to the Board of Directors for review and acceptance. The Treasurer may be assigned additional duties from time to time by the Board of Directors. The Treasurer shall post a bond in an amount as required by statute.

ARTICLE VIII
FINANCIAL AND FISCAL MATTERS

8.1 Banking and Checks. Funds shall be deposited in the name of the Authority in a bank(s) or other financial institution(s) as approved by the Board of Directors. All checks, drafts, notes, receipts, orders or other instruments for the payment of money shall be signed by such officer or officers or such other person or persons, with a defined limit, as the Board of Directors may, from time to time, designate by Resolution.

8.2 Execution of Legal Documents, Etc. The Board of Directors hereby authorizes the CEO to execute all contracts, conveyances or other instruments in the name of and on behalf of the Authority; *provided that,* such contracts, conveyances, or other instruments have been approved by the Board.

8.3 Books and Records. Such books, records and accounts of the Authority's business shall be kept and maintained as the Board of Directors shall deem advisable and as are required by law or by these Bylaws. Any such books, records and accounts shall be available for

review by any Director of the Authority at all reasonable times, upon request of the Secretary and or Treasurer.

8.4 Audit. The books, records and accounts of the Authority's business shall be audited on annual basis by such person(s) or organization(s) as selected by the Board of Directors.

8.5 Fiscal Year. The fiscal year of the Authority shall be July 1 through the following June 30.

8.6 Gifts. The Board of Directors may authorize the CEO and the Secretary, as well as the Chair, to accept on behalf of the Authority any contribution, gift, bequest, or devise.

ARTICLE IX
CONFLICT OF INTEREST

9.1 Statement of Policy. It is the policy of the Authority that all Officers, Directors, committee members, employees, and contractors of the Authority must avoid any conflict between their own respective individual interests and the interests of the Authority, in any and all actions taken by them on behalf of the Authority in their respective capacities.

9.2 Conflicts of Interest. No Director may be employed by, receive a pension or any other form of income, nor have any ownership interest, nor serve as an officer, director, or in a similar decision-making position, in any entity that has sought or received a contract from the Authority. Each Director shall execute an annual Conflict of Interest Certification, as required by statute.

ARTICLE X
AMENDMENTS

10.1 Amendment Procedure. These Bylaws may be altered, amended, or repealed at any meeting of the Board of Directors, if notice of the proposed alteration, amendment or repeal be contained in the notice which is presented at a prior regular meeting or mailed to each Director at least five (5) days before such meeting. Amendment of the Bylaws shall require a vote of a majority of all of the members of the Board of Directors.

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ARTICLE XI
IMMUNITY, INDEMNIFICATION, AND INSURANCE

11.1 Immunity. A member, officer, appointee or employee of the Authority shall not be subject to personal liability when acting in good faith within the scope of his or her authority or on account of the liability of the Authority.

11.2 Indemnification. The Authority shall indemnify and procure insurance indemnifying board members against liability arising out of the discharge of his or her official duties, or for liability asserted by a person with regard to bonds or other obligations of the Authority, of from any personal liability or accountability by reason of the issuance of bonds or other obligations or by reason of any other action taken or the failure to act by the Authority. A Board member is presumed to act in good faith absent clear and convincing evidence to the contrary, and the Authority shall indemnify and hold harmless any Board member from the outset of any claim to the extent provided by law. The Board shall use competitive procurement methods to obtain insurance pursuant to this Section.

11.3 Insurance. The Authority may purchase and maintain insurance on behalf of any person who is a Director, Officer, or employee of the Authority against any liability asserted against the person and incurred by the person in any such capacity or arising out of his or her status as such, whether or not the Authority would have the power to indemnify the person against such liability under this Article.

11.4 Expenses. Indemnification or other payment under this Article may be for expenses, including attorneys' fees, actually and reasonably incurred, and for judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred.

ARTICLE XII
DISSOLUTION OF AUTHORITY

12.1 Dissolution of Authority. Dissolution of the Authority shall be authorized as permitted by the Michigan Municipal Lighting Authority Act, 2012 PA 392, MCL 123.1261 *et* seq. or the Articles of Incorporation.

12.2 Dissolution Procedure. If a dissolution occurs, the Authority shall cease to conduct its affairs except as may be necessary for the winding up of the Authority. It shall immediately, or at such other time as may be set forth in the Board resolution, cause a certificate of dissolution to be executed and filed as required by law setting forth: (a) the name of the Authority; (b) the date of the action approving the dissolution; and (c) a statement of the action taken that resulted in the dissolution.

12.3 Distribution of Assets. In the event of dissolution, all assets of this Authority, real and personal, shall be distributed to the extent permitted by law.

CERTIFICATE

I, David W. Jones, Esq., Secretary of the Public Lighting Authority, a Michigan municipal corporation, hereby certify that these Bylaws were duly amended and adopted by the Board of Directors of the Authority on March 18, 2015.

Dated: March 18, 2015

David W. Jones, Esq., Secretary