

**BYLAWS OF THE BOARD OF DIRECTORS OF THE
CAPITAL AREA TRANSPORTATION AUTHORITY**

BOARD, OFFICERS, NON-VOTING REPRESENTATIVES, AND OFFICIALS

SECTION 1.01 BOARD. The governing body of Capital Area Transportation Authority (the "Authority" or "CATA") is its Board of Directors (the "Board"), which is constituted by members (the "members" or individually a "member") who are appointed by the political subdivisions that have membership in the Authority. Board members may exercise all of the powers and duties set forth under the Articles of Incorporation of the Authority.


SECTION 1.02 OFFICERS. The officers of the Board shall include a Chair, a Vice-Chair and a Secretary/Treasurer, who shall be elected from among its members.

SECTION 1.03 ELECTION AND TERM OF OFFICE. The officers shall be elected by the Board at its annual meeting. Each officer shall hold office until the next annual meeting and, in any event, until their successor(s) are elected and qualified, subject to earlier termination for failure or refusal to serve or for cause.

SECTION 1.04 VACANCIES. The following shall apply when there is a vacancy in the office of Chair, Vice-Chair, or Secretary/Treasurer:

- A. **Chair.** Should the office of Chair become vacant, then the Vice-Chair shall vacate the office of Vice-Chair and assume and succeed to the office of Chair for the unexpired term of the office with no election being necessary. If the Vice-Chair shall fail or refuse to assume and succeed to the office of Chair, then the Board shall elect a Chair from among its members to serve for the unexpired term of the office;
- B. **Vice-Chair.** Should the office of Vice-Chair become vacant due to the Vice-Chair assuming and succeeding to the office of Chair or for any other reason, then the Secretary/Treasurer shall vacate the office of Secretary/Treasurer and assume and succeed to the office of Vice-Chair for the unexpired term of the office with no election being necessary. If the Secretary/Treasurer shall fail or refuse to assume and succeed to the office of Vice-Chair, then the Board shall elect a Vice-Chair from among its members to serve for the unexpired term of the office; and
- C. **Secretary/Treasurer.** Should the office of Secretary/Treasurer become vacant, then the Board shall elect a Secretary/Treasurer from among its members to serve for the unexpired term of the office.


SECTION 1.05 CHAIR. The Chair of the Board shall be its presiding officer. The Chair has the right to propose motions and to vote on all policies, resolutions, action items, and motions. The Chair and the CEO/Executive Director of the Authority shall co-sign, in the name of the Authority, contracts in accordance with Board Policy #200 on



Contracting and Purchasing, and all deeds, mortgages, notes, bonds and other instruments of indebtedness which have been approved by the Board. The Chair shall be a member ex-officio of all Board committees and shall perform other duties as assigned by the Board.

SECTION 1.06 VICE-CHAIR. In the absence or incapacity of the Chair, the Vice-Chair shall perform all the duties of the Chair, and when so acting, shall have all the powers of and be subject to all restrictions upon the Chair. The Vice-Chair shall perform such other duties as assigned by the Board.

SECTION 1.07 SECRETARY/TREASURER. The Secretary/Treasurer shall sign all minutes of proceedings and official actions of the Board. The Secretary/Treasurer shall perform other duties as assigned by the Board.



SECTION 1.08 RECORDING SECRETARY. An employee of the Authority shall be appointed by the Board as an official to act as Recording Secretary and shall serve at the pleasure of the Board. The Recording Secretary shall record all the minutes of the meetings of the Board and record all the votes of the Board. The Recording Secretary shall ensure that all minutes, records and reports are properly maintained and filed as required by law; shall certify actions and resolutions of the Board; and shall perform all duties incidental to the office of Recording Secretary and such other duties as may be assigned by the Board. The Recording Secretary shall be responsible that all notices of all meetings of the Board are given in accordance with the law and these Bylaws. Minutes shall be signed by the Recording Secretary and forwarded to the Secretary/Treasurer for his or her signature upon approval by the Board.

SECTION 1.09 CEO/EXECUTIVE DIRECTOR. The CEO/Executive Director of the Authority is the chief executive and operating officer of the Authority and is appointed by and directly responsible to the Board.

SECTION 1.10 INDEPENDENT ENTITIES. A political subdivision that is not a member of CATA, but which financially participates in CATA's activities in an amount set forth by the Board shall be considered a participating Independent Entity, as permitted by the Articles of Incorporation. Each participating Independent Entity in good standing with the Board is permitted to appoint one (1) Board member as its representative (hereinafter "Independent Representative"). An Independent Representative will have the same rights, privileges, and responsibilities as any other Board member, specifically including but not limited to those listed herein, except that an Independent Representative shall cease to be a Board member, regardless of the term of appointment, upon the Independent Entity that appointed the Independent Representative failing to financially participate in the amount set forth by the Board on the terms set forth by the Board.

SECTION 1.11 NON-VOTING REPRESENTATIVES AND OFFICIALS. The Authority may enter into contracts or other arrangements with a political subdivision or other

public entity which does not have membership in the Authority to provide transportation services. The contract or other arrangements may provide for the political subdivision or other public entity to have a non-voting representative or official appointed to the Board. The non-voting representative or official shall be nominated by the public entity or political subdivision, but shall be appointed by and serve at the pleasure of the Board. The non-voting representative or official shall not be a member of the Board and shall not vote on any matter. The participation of the non-voting representative or official in Board meetings shall be as set forth in the contract or other arrangements, which are approved by the Board, and consistent with the Articles of Incorporation, Bylaws, Policies of the Board, and applicable law.

MEETINGS

SECTION 2.01 ANNUAL ORGANIZATIONAL MEETING. Unless changed by resolution of the Board, the annual organization meeting of the Board for the election of its officers and transaction of any other business shall be held the third Wednesday in September at a time and place to be established by the Board.

SECTION 2.02 REGULAR MEETINGS. Regular meetings of the Board shall be held at such times and places as established by the Board at its annual organizational meeting. If the date fixed for any such meeting is a legal holiday under State or Federal laws, then the meeting shall be held on the next succeeding weekday not a legal holiday, or at such other time within the month as may be determined by resolution of the Board. At such meetings the Board may transact such business as may be brought before the meeting. The Board may waive the need to hold a regular meeting as it deems appropriate.

SECTION 2.03 SPECIAL MEETINGS. The Chair or two members of the Board may call a special meeting of the Board by giving notice to each Board member at least 24 hours prior to the meeting. The notice shall state the purpose, time, and place of the special meeting.

SECTION 2.04 NOTICE OF MEETINGS.

- A. All notices of meetings which are required to be given to Board members, officers, or appointed representatives or officials may be given personally or by telecopy or mail to the person at his or her last address as it appears on the books of the Authority or by electronic transmission if the person being notified has authorized or consented to notice by electronic transmission. The notice shall be deemed to be given at the time it is mailed or otherwise dispatched or, if given by electronic transmission, when electronically transmitted to the person entitled to the notice. Telephonic notice may also be given for special meetings of the Board.
- B. No notice shall be required for annual or regular meetings of the Board or for adjourned or recessed meetings, whether regular or special, unless

adjourned or recessed for more than 36 hours. Three days' written notice, 24-hour telephonic notice, or 24-hour notice by electronic communication shall be given for special meetings of the Board, and the notice shall state the time, place, and purpose or purposes of the meeting.

SECTION 2.05 WAIVER OF NOTICE. Attendance of a Board member at a meeting, in person, constitutes waiver of notice of the meeting, except when the Board member, at the beginning of the meeting or upon his or her arrival after the beginning of the meeting, objects to the meeting or the transaction of any business at the meeting, because the meeting is not lawfully called or convened.

SECTION 2.06 QUORUM. A majority of the Board members serving shall constitute a quorum for the taking of official action by the Board.

SECTION 2.07 VOTING. All official action by the Board shall be taken in public session by adoption of a resolution or action item. A roll call vote may be requested by any Board member and such request shall be honored. On all voting issues before the Board, a majority of the Board members present and voting shall be sufficient for the adoption of any resolution or action item. The term "resolution", as used in these Bylaws, includes action items and other decisions which are duly adopted by the Board.

SECTION 2.08 OPEN MEETINGS. All Board meetings shall be open to the public and shall be held in a place available to the general public. All persons shall be permitted to attend any meeting unless the meeting is a closed session as set forth by statute. A public notice shall be posted at the Authority's principal office stating the time and location of all meetings required to be public as well as the Authority's address and phone number. Notice of special or rescheduled meetings shall be posted at least eighteen (18) hours before the meeting. Closed meetings may be held for purposes of considering the dismissal, suspension or disciplining of an employee, negotiation of a collective bargaining agreement, consultation with an attorney in regard to litigation or settlement, to review applications for employment, real estate leases or purchases up until the time an option to purchase or lease is obtained, and otherwise in accordance with statute. Minutes shall be kept of each meeting showing the date, time, place, members present, members absent, and any decisions made. No final action shall be taken by the Board in a closed meeting.

SECTION 2.09 ATTENDANCE AT BOARD MEETINGS. If a Board member neglects to perform his or her duties by failing to attend three (3) scheduled meetings of the Board or its committees in a one (1) year period, and such absence is without valid reason given to the Board Chair, the Board member shall be asked to resign from the Board.

SECTION 2.10 ROBERTS RULES OF ORDER. The rules contained in Roberts Rules of Order shall govern the Capital Area Transportation Authority in all cases to which they are applicable and which they are not inconsistent with the Bylaws of the Authority.

ORDER OF BUSINESS

SECTION 3.03 ORDER OF BUSINESS. The order of business for a regular meeting of the Authority is as follows:

- A. Call to Order.
- B. Minutes of Preceding Meeting.
- C. Treasurer's Report.
- D. Public Comment and Correspondence to the Board.
- E. Chair's Comments.
- F. CEO/Executive Director's Report.
- G. Committee Reports.
- H. Action Items.
- I. Old Business.
- J. New Business.
- K. Public Comments.
- L. Adjournment.

COMMITTEES

SECTION 4.01 COMMITTEES. The Chair will appoint committees as determined necessary. Appointments shall be approved by the Board. These committees shall work on related items and will make committee recommendations to the entire Board for appropriate action. In addition, the Chair may, with Board approval, appoint special committees consisting of Board members and/or citizens. A specific date shall be established for completion of a special committee assignment, extendable only in unusual circumstances. The Chair may appoint standing committees to provide continuity to the study of any issue. Standing committees will be automatically dissolved at the end of term of office of the Chair who appointed the committee. No final action on any issue may be taken in committee, including a Committee of the Whole.

INDEMNIFICATION AND INSURANCE

SECTION 5.01 POWER TO INDEMNIFY. Subject to all of the other provisions of this Section 5, CATA shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, formal or informal (other than an action by or in the right of CATA), by reason of the fact that the person is or was a Board member or officer of CATA, or, while serving as a Board member, officer, employee, appointed volunteer or agent of CATA, or is or was serving at the request of CATA as a Board member, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, (a) if indemnification is permitted under Michigan law, (b) if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the

best interests of CATA, and (c) with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on 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 that the person reasonably believed to be in or not opposed to the best interests of CATA and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

SECTION 5.02 DERIVATIVE ACTIONS. Subject to all of the provisions of this Section 5, CATA shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of CATA to procure a judgment in its favor by reason of the fact that the person is or was a Board member, officer or appointed volunteer of CATA, or while serving as a Board member, employee, appointed volunteer or agent of CATA, is or was serving at the request of CATA as a Board member, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including attorney fees) and amounts paid in settlement actually and reasonably incurred by the person in connection with the action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of CATA. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to CATA unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the reasonable expenses incurred.

SECTION 5.03 EXPENSES OF SUCCESSFUL DEFENSE. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 5.01 or 5.02 of these Bylaws, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against actual and reasonable expenses (including attorney fees) incurred by the person in connection with the action, suit, or proceeding and any action, suit, or proceeding brought to enforce the mandatory indemnification provided by this Section 5.03.

SECTION 5.04 DEFINITIONS. For the purposes of Sections 5.01 and 5.02, the term "Board member" shall include Independent Representatives and non-voting representatives and officials appointed to the Board pursuant to Bylaw Section 1.10 and 1.11; an "appointed volunteer" is a person appointed by the Board, the CEO/Executive Director, or an officer of CATA, including an agent of CATA acting as a volunteer, who does not receive anything of more than a nominal value from CATA for serving as a volunteer, other than reasonable per diem compensation and reimbursement for actual, reasonable and necessary expenses incurred in such volunteer capacity; "Other enterprises" shall include employee benefit plans; "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and, "serving at the

request of CATA" shall include any service as a Board member, officer, employee, or agent of CATA that imposes duties on, or involves services by, a Board member or officer with respect to an employee benefit plan, its participants, or its beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be considered to have acted in a manner "not opposed to the best interests of CATA" as referred to in Sections 5.01 and 5.02.

SECTION 5.05 CONTRACT RIGHT: LIMITATION ON INDEMNITY. The right to indemnification conferred in this Section 5 of the Bylaws shall be a contract right and shall apply to services of a Board member or officer as an employee or agent of CATA as well as in the person's capacity as a Board member or officer. Except as provided in Section 5.03 of these Bylaws, CATA shall have no obligations under this Section 5 to indemnify any person in connection with any proceeding, or part thereof, initiated by the person without authorization by the Board of Directors.

SECTION 5.06 DETERMINATION THAT INDEMNIFICATION IS PROPER. Any indemnification under Sections 5.01 or 5.02 of these Bylaws (unless ordered by a court) shall be made by CATA only as authorized in the specific case upon a determination that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 5.01 or 5.02, whichever is applicable, and upon an evaluation of the reasonableness of expense and amounts paid in settlement. The determination and evaluation shall be made in any of the following ways:

- A. By a majority vote of a quorum of the Board consisting of members who are not parties or threatened to be made parties to the action, suit, or proceeding.
- B. By independent legal counsel in a written opinion, which counsel shall be selected in one of the following ways:
 - 1) By the Board in the manner prescribed in subparagraph A above; or
 - 2) If a quorum of the Board cannot be obtained under subparagraph A above, by a majority vote of a quorum of the Board in which all Board members may participate.

SECTION 5.07 PROPORTIONATE INDEMNITY. If a person is entitled to indemnification under Sections 5.01 or 5.02 of these Bylaws for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, CATA shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

SECTION 5.08 EXPENSE ADVANCE. CATA may pay or reimburse the reasonable expenses incurred by a person referred to in Sections 5.01 or 5.02 of these Bylaws who

is a party or threatened to be made a party to an action, suit, or proceeding in advance of final disposition of the proceeding if all of the following apply: (A) the person furnishes CATA a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in Sections 5.01 or 5.02; (B) the person furnishes CATA a written undertaking executed personally, or on his or her belief, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct; and (C) a determination is made that the facts then known to those making the determination would not preclude indemnification under Sections 5.01 or 5.02. The authorization of payment must be made in the manner specified in Section 5.06.

SECTION 5.09 NON-EXCLUSIVITY OF RIGHTS. The indemnification or advancement of expenses provided under this Section 5 is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with CATA. However, the total amount of expenses advanced or indemnified from all sources combined, including insurance, shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

SECTION 5.10 INDEMNIFICATION OF EMPLOYEES. APPOINTED VOLUNTEERS AND AGENTS OF CATA. CATA shall indemnify and advance expenses of any person who was or is a party to or is threatened to be made a party to any threatened, pending, or completed action or proceeding by reason of the fact that the person is or was CATA's CEO/Executive Director, Assistant Executive Director, or Director of Finance to the fullest extent of the provisions of this Section 5 with respect to the indemnification and advancement of expenses of Board members and officers. Further, CATA may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee, appointed volunteer, or agent of CATA to the fullest extent of the provisions of this Section 5 with respect to the indemnification and advancement of expenses of Board members and officers of CATA.

SECTION 5.11 FORMER DIRECTORS AND OFFICERS. The indemnification provided in this Section 5 continues for a person who has ceased to be a Board member, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person.

SECTION 5.12 DEFENSE TO CLAIM. It shall be a defense to any claim for indemnification action that the claimant has not met the standards of conduct which make it permissible under Sections 5.01 or 5.02 for CATA to indemnify the claimant for the amount claimed. However, neither the failure of CATA (including its Board of Directors or independent legal counsel) to have made a determination that indemnification of the claimant is proper in the circumstances, nor an actual determination by CATA (including its Board of Directors or independent legal counsel) that the claimant had not met such applicable standard of conduct, shall create a presumption that claimant had not met the applicable standard of conduct.

SECTION 5.13 INSURANCE. CATA may purchase and maintain insurance on behalf of any person who is or was a Board member, officer, employee, or agent of CATA, or is or was serving at the request of CATA as a Board member, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against the person and incurred by him or her in any such capacity or arising out of this or her status as such, whether or not CATA would have power to indemnify the person against the liability under these Bylaws or the laws of the state of Michigan. For Board members and employees, such insurance shall include public officials and employees liability coverage for errors and omissions with any deductible or retention under such coverage at the expense of CATA. Provision of insurance coverage shall not be construed to establish entitlement to indemnity in any particular situation.

SECTION 5.14 CHANGES IN MICHIGAN LAW. If there is any change in the Michigan statutory provisions applicable to CATA related to the subject matter of this Section 5, then the indemnification to which any person shall be entitled under this Section 5 shall be determined by the changed provisions, but only to the extent that the change permits CATA to provide broader indemnification rights than the provisions permitted CATA to provide before the change. Subject to Sections 5.15 and 6.01, the Board of Directors is authorized to amend these Bylaws to conform to any such changed statutory provisions.

SECTION 5.15 AMENDMENT OR REPEAL OF SECTION 5. No amendment or repeal of this Section 5 shall apply to or have any effect on any Board member, officer, employee, or agent of CATA for or with respect to any acts or omissions of a Board member, officer, employee, or agent occurring before the amendment or repeal.

AMENDMENTS

SECTION 6.01 AMENDMENTS. Upon ten days written notice to the members of the Board, any or all of these Bylaws may be amended, altered, or repealed by the Board at a regular or special meeting. Any changes of the Bylaws require a majority vote of its members.

Adopted: 2/9/84
Amended: 5/18/94
Amended: 12/20/06
Amended: 3/19/14
Amended: 1/10/19