

RESILIENCE AUTHORITY

Annapolis and Anne Arundel County

RESILIENCE AUTHORITY OF ANNAPOLIS AND ANNE ARUNDEL COUNTY, INC.

BYLAWS
(06.20.24)

ARTICLE I: NAME AND PURPOSE

- I.1 Name of Authority:** The name of the authority shall be the “Resilience Authority of Annapolis and Anne Arundel County, Inc.” hereafter referred to as “the Authority.”
- I.2 Creation:** The Authority was created pursuant to Title 22 of the Local Government Article of the State Code, Article 3, Title 8A, Section 102 of the Anne Arundel County Code, and Annapolis, Maryland Code of Ordinances Section 2.58.020.
- I.3 Purpose:** The Authority shall undertake and support resilience infrastructure projects that mitigate the effects of climate change for the general welfare or safety of the public by offering a range of financing structures, forms, and techniques, leveraging public and private investment, and stimulating demand for resilience infrastructure projects throughout Anne Arundel County, Maryland.

ARTICLE II: MODIFICATION AND TERMINATION OF THE AUTHORITY

- II.1 Set or Change Power:** Anne Arundel County (the “County”), with the concurrence of the City of Annapolis (the “City”), may amend the articles of incorporation of the Authority and may set or change the powers, structure, organization, procedures, programs, or activities of the Authority.
- II.2 Revenue Sources:** The County, with the concurrence of the City, may determine the revenue sources of the County and the City that may be used by the Authority and may dedicate the revenue from those sources to use by the Authority for any authorized purpose, including, but not limited to, the use of general fund revenue and revenue from general obligation bonds of the County or the City. The Authority may identify and obtain additional revenue sources, including from grants, contributions, and the issuance of debt consistent with these Bylaws and Article 3, Title 8A-102 of the Anne Arundel County Code, as may be amended, and Title 2, Chapter 2.58.030 of the Annapolis Code of Ordinances, as may be amended, and consistent with “debt standard operating practices” adopted by the Authority.
- II.3 Budgetary and Financial Procedures:** The County, with the concurrence of the City, may establish the budgetary and financial procedures of the Authority.
- II.4 Termination of the Authority:** The County, with the concurrence of the City, may terminate the Authority. If termination occurs, title to all property of the Authority shall be transferred to and vest in the County and the City, and all obligations of the Authority shall be transferred to and assumed by the County and the City.

ARTICLE III: OFFICES AND MEETINGS

- III.1 Offices:** The principal offices of the Authority shall be officially located at 44 Calvert Street, Annapolis, MD 21401.
- III.2 Annual Meetings:** Annually the Authority shall hold an organizational meeting at which time the Board of Directors (the “Board”) shall formally approve a Chair (designated by the Anne Arundel County Executive) and other such officers as determined consistent with these Bylaws and Article 3, Title 8A-104 of the Anne Arundel County Code, as may be amended, and Title 2, Chapter 2.58.040 of the Annapolis Code of Ordinances, as may be amended.
- III.3 Regular Meetings:** The Board shall hold regular meetings at least quarterly. No later than December 31 of each year, the Board, in consultation with the Resilience Authority Director, shall determine and establish a schedule of regular meetings for the ensuing calendar year. Unless changed by the Board, all meetings shall be held at the principal offices of the Authority. Changes to meeting locations shall be made with adequate notice to the Resilience Authority Director.
- III.4 Special Meetings:** Special meetings of the Board may be called at any time by the Chair or at the written request of seven or more Board Members (“Members”). The Chair shall determine a date and time for holding any special meeting, and the Resilience Authority Director shall be informed of the special meeting sufficiently in advance.
- III.5 Emergency Meetings:** The Chair, solely at the Chair’s discretion, may call an emergency meeting at any time, with notice sufficiently in advance to the Board and to the Resilience Authority Director.
- III.6 Quorum; Meetings:** Seven Members are a quorum for the transaction of any business, the exercise of any power, or the performance of any duty authorized or imposed by law. An affirmative vote of a majority of the Members of the Board is required for the taking of any action.
- III.7 Minutes:** Minutes of meetings of the Board shall be recorded and kept on file in the Offices of the Board. Minutes of meetings shall be provided to individual Members upon request.

ARTICLE IV: BOARD OF DIRECTORS

- IV.1 Powers:** The powers of the Authority are vested in and exercised by the Board, which shall direct and govern the finances and management of the Authority. The Board may exercise its authority and powers through all such lawful acts and things as are necessary to carry out the mission of the Authority as established in Article 3, Title 8A-110 of the County Code, as may be amended, and Title 2, Chapter 2.58.080 of the Annapolis Code of Ordinances, as may be amended.
- IV.2 Board of Directors:** The Board shall consist of twelve Members and shall have, and may exercise, all the powers of the Authority. Nine Members shall be residents of the County appointed by the County Executive (the “County Executive”), and three Members shall be residents of the City appointed by the Mayor of the City (the “Mayor”).

- IV.3 Chair of Board of Directors:** The County Executive annually shall designate a Chair from the membership of the Authority.
- IV.4 Character of Board of Directors Members:** Each of the Members shall be an individual of integrity who has demonstrated abilities in business and public affairs based on education or relevant experience and shall be selected without regard to the Member's representation of or support for any special interest.
- IV.5 Financial Interest Prohibited:** Neither the Member nor the Member's grandparent, parent, child, grandchild, step-parent, step-child, sibling, step-sibling, uncle, aunt, niece or nephew, or the spouse of any of them may have a financial interest in any project with respect to which the Authority has jurisdiction or any power or authorization to act. A Member may not be a County or City elected official, appointed official, or employee.
- IV.6 Oath of Office:** Before undertaking the duties of a Member, each Member of the Authority shall take a Constitutional oath of office before the Clerk of the Circuit Court for the County.
- IV.7 Board of Directors Compensation:** Unless permitted in Article 3, Title 8A-103 of the County Code, as may be amended, and Title 2, Chapter 2.58.040 of the Annapolis Code of Ordinances, as may be amended, no Member shall at any time receive or be entitled to receive any compensation for the performance of his or her duties as a Member.
- IV.8 Expenses:** Each Member is entitled to reimbursement for reasonable and necessary expenses. Reimbursement shall be made solely from funds received by the Authority under Article 3, Title 8A-103 of the County Code, as may be amended, and Title 2, Chapter 2.58.040 of the Annapolis Code of Ordinances, as may be amended.
- IV.9 Term:** The County Executive and the Mayor shall appoint three members and one member, respectively, whose terms end on September 30, 2025. The County Executive and the Mayor shall appoint three members and one member, respectively, whose terms end on September 30, 2026. The County Executive and the Mayor shall appoint three members and one member, respectively, whose terms end on September 30, 2027. Members appointed after the initial appointments shall serve a four-year term. At the completion of the four-year term, Members will continue to serve until a qualified successor is appointed. Any Member appointed after the four-year term has begun will serve for the remainder of the term only. Members may be reappointed but cannot serve more than three consecutive terms.
- IV.10 Removal:** The Appointing Authority of a Member of the Authority may remove the Member for cause, including the absence from 25% or more of the scheduled meetings and hearings of the Authority during any 12-month period.
- IV.11 Responsibility of Chair for Removal of Member:** The Chair shall notify the Appointing Authority of any Member who is absent from 25% or more of the scheduled meetings and hearings during any 12-month period. The Chair will also include in the notification any known extenuating circumstances and send a copy of the notification to each Member of the Authority. The Appointing Authority may excuse the absences for good cause such as illness, emergency situations, or other extenuating circumstances.
- IV.12 Resignation of Members:** A Member may resign from the Board but cannot again become a Member without a subsequent appointment as provided in these Bylaws.

IV.13 Ethics and Responsibilities of Board Members: Board Members shall execute oversight of the Authority, the Resilience Authority Director, and the Chief Financial Officer in the effective and ethical management of the Authority. On appointment and at each annual meeting, the Members shall execute a Conflict of Interest statement. The Members shall understand, review, and monitor the implementation of fundamental financial and management control and operational decisions of the Authority.

ARTICLE V: COMMITTEES AND ADVISORS

- V.1 Advisory Committee:** Pursuant to Article 3, Title 8A-103 of the County Code and Title 2, Chapter 2.58.040 of the Annapolis Code of Ordinances, the following shall serve as non-voting advisors to the Authority: The County Director of Public Works, the County Director of Emergency Management, the County Planning and Zoning Officer, the Deputy City Manager for Resilience and Sustainability, the City Director of Public Works, the City Director of the Office of Emergency Management, the City Director of Planning and Zoning, or any of their designees.
- V.2 Additional Advisors:** The Board may seek the advice of additional advisors to provide guidance and information the Board determines necessary.
- V.3 Executive Committee:** The Chair, Vice Chair, Treasurer, and Secretary of the Board of Directors shall comprise the Executive Committee.
- V.4 Additional Committees:** The Board may create additional committees as the Board determines necessary. Committees shall not comprise a quorum of the Board and may not exercise the power of the Board.

ARTICLE VI: STAFF AND EMPLOYEES

- VI.1 Appointment of Resilience Authority Director:** The County Executive, with the concurrence of the Mayor of the City, shall appoint the first Resilience Authority Director. Any subsequent Resilience Authority Director shall be appointed by the County Executive, after advice and recommendation by Members and with the concurrence of the Mayor of the City. The Resilience Authority Director shall serve at the pleasure of the County Executive.
- VI.2 Qualifications of the Resilience Authority Director:** The Resilience Authority Director shall be of good character, integrity, and business experience and shall meet all requirements of a job description developed by the County Executive with the concurrence of the Mayor of the City.
- VI.3 Financial Interest Prohibited:** Neither the Resilience Authority Director nor the Resilience Authority Director's grandparent, parent, child, grandchild, step-parent, step-child, sibling, step-sibling, uncle, aunt, niece or nephew, or the spouse of any of them, may have a financial interest in any project with respect to which the Authority has jurisdiction or any power or authorization to act.
- VI.4 Compensation:** The Resilience Authority Director shall be a County employee in the exempt service and is entitled to compensation pursuant to Article 6, Title 2-101 of the County Code.

- VI.5 Additional Duties of the Resilience Authority Director:** In addition to other duties as may be imposed by the Authority, and consistent with the job description developed under VI.2 of these Bylaws, the Resilience Authority Director is responsible for daily operations of the Authority; supervision of any activities or tasks performed by employees; appointment of all employees; determination of the employees' duties and conditions of employment; and fixing the employees' compensation, consistent with the Bylaws, policies, and procedures adopted by the Authority.
- VI.6 Chief Financial Officer Appointment:** The Director shall nominate and, upon a confirmation vote by a majority of the Members, appoint a Chief Financial Officer.
- VI.7 Additional Duties of the Chief Financial Officer:** In addition to other duties of the Chief Financial Officer as may be imposed by the Authority, and consistent with any job description developed by the Authority, the Chief Financial Officer shall be responsible for maintaining the Authority's debt standard operating procedures.
- VI.8 Net Earnings:** Except as necessary to pay debt service or implement the public purposes or programs of the County or the City, the net earnings of the Authority may benefit only the County or the City and may not benefit any person.

ARTICLE VII: BONDS

- VII.1 Authority:** Notwithstanding any other provision of law, the Authority may issue and sell bonds periodically for resilience infrastructure projects; to refund outstanding bonds; to pay the costs of preparing, printing, selling, and issuing the bonds; to fund reserves; and to pay the interest on the bonds in the amount and for the period the Authority considers reasonable.
- VII.2 Limitation:** Bonds issued by the Authority are limited obligations and are not a pledge of the faith and credit or taxing power of the County or the City.
- VII.3 Resolution Required:** For each issue of its bonds, the Authority shall adopt a resolution that specifies and describes the resilience infrastructure being financed; generally describes the public purpose to be served; describes the financing transaction; specifies the maximum principal amount of the bonds that may be issued; and imposes terms or conditions on the issuance and sale of bonds it considers appropriate.
- VII.4 Resolution Permitted:** The Authority, by Board resolution, may specify, determine, prescribe, and approve matters, documents, and procedures that relate to the authorization, sale, security, issuance, delivery, and payment of and for the bonds; create security for the bonds; provide for the administration of bond issues through trust or other agreements with a bank or trust company that cover a countersignature on a bond, the delivery of a bond, or the security for a bond; and take other action it considers appropriate concerning the bonds.
- VII.5 Contracts:** A contract for a resilience infrastructure project may include the requirement for surety and labor and material bonds.
- VII.6 Conclusiveness:** A finding by the County, City or the Board of the Authority as to the public purpose of an action taken under Article 3, Title 8A-112 of the County Code, as may be amended, and Title 2, Chapter 2.58.100 of the Annapolis Code of Ordinances, as may be amended, and the appropriateness of that action to serve the public purpose, is conclusive in a proceeding involving the validity or enforceability

of a bond or security for a bond issued under Article 3, Title 8A-111 of the County Code, as may be amended, and Title 2, Chapter 2.58.090 of the Annapolis Code of Ordinances, as may be amended.

ARTICLE VIII: POWERS OF THE AUTHORITY

VIII.1 General Powers: Except as limited by its Articles of Incorporation or Article 3, Title 8A-110 of the County Code, as amended, and Title 2, Chapter 2.58.080 of the Annapolis Code of Ordinances, as may be amended, the Authority has all the Powers under these Bylaws.

VIII.2 Enumerated: The Authority has and may exercise all powers necessary or convenient to undertake, finance, manage, acquire, own, convey, or support resilience infrastructure projects, including, but not limited to, the power to:

- a. Acquire by purchase, lease, or other legal means, but not by eminent domain, property for resilience infrastructure;
- b. Establish, construct, alter, improve, equip, repair, maintain, operate, and regulate resilience infrastructure owned by the County, the City, or the Authority;
- c. Receive money from the County, the City, the State of Maryland, other governmental units, or private organizations;
- d. Charge and collect fees for its services;
- e. Subject to the approval of the County Executive and by Resolution of the County Council, and the Annapolis City Council, charge and collect fees to support its bond issuances;
- f. Have employees and consultants as it considers necessary;
- g. Engage the services of other governmental units;
- h. Act as necessary or convenient to carry out the powers granted by law;
- i. Sue and be sued, implead and be impleaded, complain, and defend in all courts of competent jurisdiction; and,
- j. Draft, approve, and amend these Bylaws for the management and regulation of its affairs, which will be provided upon approval or revision to each appointing authority.

ARTICLE IX: REPORTING

IX.1 Annual Reports: By January 1 of each year, the Authority shall provide a written report and audited financial statements prepared in accordance with accounting principles generally accepted in the United States of America to the County Executive, the County Council, the Mayor of the City, and the Annapolis City Council on the activities and financial position of the Authority as of and for the prior fiscal year ending June 30.

IX.2 Report to State: By January 1 of each year, the Authority shall provide a written report and audited financial statements to the Senate Budget and Taxation and

Education, Health, and Environmental Affairs Committees; and the House Appropriations and Environment and Transportation Committees.

IX.3 Contents of Report to State: The annual report to the State required in IX.2 of the Bylaws shall include, at a minimum, a copy of the report required under IX.1 and a description of the resilience infrastructure projects funded by the Authority, and a listing of the sources of revenue for the resilience infrastructure projects undertaken by the Authority.

ARTICLE X: EXAMINATION OF BOOKS, ACCOUNTS, AND RECORDS

X.1 Books, Accounts, and Records: The County Controller, County Auditor, County Attorney, and City Manager, or their designees, may examine the book, accounts, and records of the Authority.

ARTICLE XI: EXECUTION OF DOCUMENTS

XI.1 Signing of Checks, Notes: All acceptances, checks, drafts, promissory notes, and other obligations of the Authority for the payment of money shall be signed by Resilience Authority Director and/or the Chief Financial Officer, or their designee, as in accordance with the internal control procedures of the Authority as in effect from time to time.

XI.2 Execution of Conveyance and Contracts: All contracts, agreements, loan documents, mortgages, leases, deeds, transfers, and other conveyances of the real or personal property of the Authority shall be executed by Resilience Authority Director, or designee, in accordance with the internal control procedures of the Authority as in effect from time to time.

These Bylaws are adopted by the Board of Directors on this 20th day of June, 2024.

Teresa Sutherland, Board of Directors, Chair
Resilience Authority of Annapolis and Anne Arundel County, Inc.

Matthew Fleming, Director
Resilience Authority of Annapolis and Anne Arundel County, Inc.