

BY-LAWS OF THE NEWPORT ECONOMIC DEVELOPMENT AUTHORITY

1. The Authority

Section 1.1. Name of Authority. The name of the Authority shall be the Newport Economic Development Authority (hereinafter, the “Authority”), and its governing body shall be called the Board of Commissioners (hereinafter, the “Board”).

Section 1.2. Office. The principal office of the Authority shall be at City Hall, 596 7th Avenue, Newport, Minnesota.

Section 1.3. Seal. The Seal of the City of Newport shall serve as the official seal of the Authority.

2. Organization

Section 2.1. Board. The Board of Commissioners for the Authority shall consist of the Mayor and each member of the City Council in and for the City of Newport (the “City”). Each Commissioner’s term shall coincide with their term as Mayor or member of the City Council.

Section 2.2. Officers. The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The Mayor of the City shall serve as the President of the Authority. The Vice Mayor of the City shall serve as the Vice President of the Authority. The Treasurer shall be a member of the Board and shall be elected at the annual meeting of the Board. No Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

Section 2.3. President. The President shall preside at all meetings of the Board.

Section 2.4. Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability.

Section 2.5. President Pro Tem. In the event of the absence or inability of the President and the Vice President at any meeting, the Board may appoint any remaining Commissioner as President Pro Tem to preside at such meeting.

Section 2.6. Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority’s financial statement with its Secretary at least once a year as set by the Authority, and be responsible for the acts of the Assistant Treasurer.

Section 2.7. Assistant Treasurer. The City Administrator shall serve as the Assistant Treasurer to the Authority and shall have all powers and duties of the Treasurer if the Treasurer is absent or disabled.

Section 2.8. Secretary. The City Administrator for the City shall serve as the Secretary of the Authority and shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 2.9. Executive Director. City Administrator for the City shall serve as the Executive Director of the Authority, shall be chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe.

3. Procedures of Board of Commissioners

Section 3.1. Annual Meeting. The annual meeting of the Board shall be held at 7:00 p.m. or immediately following the Regular Newport City Council Meeting on the third Thursday of July in each year.

Section 3.2. Regular Meetings. The Board may hold its meetings in such a place or places within the State of Minnesota as it may from time to time determine. The Board shall hold regular meetings, at a time and place to be set by the Board. The meetings shall conduct the business of the Authority. The Authority is a public body, and notice of such meeting shall be given in such a manner as is required by law.

Section 3.3. Special Meetings. Special meetings of the Authority may be called by the President, the Executive Director or two members of the Board for the purpose of transacting any business designated in the call.

The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each Commissioner or may be mailed to the business or home address of each Commissioner at least two (2) days prior to the date of such special meeting.

At least three days prior to a special meeting, written notice of its date, time, place and purpose shall be (a) mailed or delivered to anyone who has specifically requested notice of special meetings or, as an alternative, published in the Authority's official newspaper, and (b) posted on the "principal bulletin board" of the Authority or, if there is none, on the door of the Commissioner's "usual meeting room." At such special meeting, no business shall be considered other than as designated in the call, but if all of the members of the Authority are present at a special meeting, any and all business may be transacted at such special meeting.

Section 3.4. Emergency Meetings. Meetings regarding matters which, in the judgment of those calling the meeting pursuant to Section 3.3, above, require the immediate consideration of the Authority may be held without regard to the notice requirements otherwise applicable to special meetings. The Authority shall make a good faith effort to give notice of such emergency meeting, including the purpose thereof, to any news medium that has filed such a written request

with the Authority. If matters other than those related to the emergency are permitted to be discussed under Section 3.3, above, and so are discussed, the minutes of the meeting shall include a specific description of such matters.

Section 3.5. Quorum. A quorum of the five member Board shall consist of three Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or Authority.

Section 3.6. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than simple majority of all Commissioners present and constituting a quorum. Resolutions may, but need not, be read aloud prior to a vote taken thereon and may, but need not, be executed after passage.

Section 3.7. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

4. Miscellaneous

Section 4.1. Fiscal Year. The fiscal year of the Authority shall be the same as the City's fiscal year.

Section 4.2. Treasurer's Bonds. The Treasurer shall give bond to the state conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed \$300,000.

Section 4.3. Checks. An Authority check must be signed by (1) the President and (2) the Treasurer or Assistant Treasurer. The check must state the name of the payee and the nature for which the check was issued.

Section 4.4. Financial Statements. The Authority shall examine the financial statement together with the Treasurer's vouchers, which financial statement shall disclose all receipts and disbursements, their nature, money on hand and the purposes to which it shall be applied, the Authority's credits and assets and its outstanding liabilities. If the Authority finds the financial statement and Treasurer's vouchers to be correct, it shall approve them by resolution.

Section 4.5. Report to City. The Authority shall annually, at a time designated by the City, make a report to the City Council giving a detailed account of its activities and of its receipts and expenditures for the preceding calendar year.

Section 4.6. Budget to City. The Authority shall annually, at a time designated by the City, send its budget to the City Council which budget includes a written estimate of the amount of money needed by the Authority from the City in order for the Authority to conduct business during the upcoming fiscal year.

Section 4.8. Employees. The Authority shall utilize City staff and facilities as it may require as assigned by the Executive Director.

Section 4.9. Services. The Authority may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The Authority may also use the services of the City Attorney or hire a general counsel, as determined by the Authority.

Section 4.10. Supplies, Purchasing, Facilities and Services. The Authority may purchase the supplies and materials it needs. The Authority may use the facilities of the City's purchasing department. The City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority.

Section 4.11. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the President and/or the Executive Director or the Assistant Executive Director, or by such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

Section 4.12. Amendment of By-Laws. These By-Laws may be amended by the Board by majority vote of all Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered.

The foregoing **Amended** By-Laws were duly adopted by the Board of Commissioners of the Newport Economic Development Authority on the 19th day of March, 2009.

Tim Geraghty, President

Barry Sittlow, Executive Director