

**Commonwealth of Kentucky
Kentucky Infrastructure Authority**

BYLAWS

ARTICLE I

Name

The name of this authority is the Kentucky Infrastructure Authority (the “Authority”).

ARTICLE II

Purposes

The purpose of the Authority is to provide financial assistance to local governments and certain local entities in planning and financing the acquisition, construction, and rehabilitation of infrastructure projects as defined in KRS Chapter 224A.

ARTICLE III

Office

The Authority is administratively attached to the Department for Local Government. The principal office of the Authority shall be the Office of the Governor, **100 Airport Road, Third floor, Frankfort, Kentucky 40601.**

ARTICLE IV

Board

Section 1. Membership. The Authority shall be managed by a board (the “Board”) consisting of eleven (11) members, which shall be composed as follows:

1. Ex-officio Membership. The following positions shall be ex-officio members:
 - a. The Secretary of the Cabinet for Economic Development;

- b. The Secretary of the Finance and Administration Cabinet;
- c. The Secretary of the Energy and Environment Cabinet;
- d. The Executive Director of the Public Service Commission; and
- e. The Commissioner of the Department for Local Government;

2. At-large Membership

- a. A nominee of the Kentucky Association of Counties;
- b. A nominee of the Kentucky Rural Water Association;
- c. A nominee of the Kentucky League of Cities;
- d. A nominee of the Kentucky section of the American Water Works Association;
- e. A nominee of the Kentucky Municipal Utilities Association; and
- f. An individual representing private water utilities.

Section 2. Participation and Voting. All Board members shall have full voting rights on any matter pending before it. **Only Ex-officio members may designate an alternate by written proxy.**

Section 3. Terms of Office. Pursuant to statute, the terms of the ex-officio members shall run with appointment to the respective office or position and the term of the at-large members shall be four (4) years; except for the initial terms which vary.

Section 4. Powers. The Board may carry out and perform the following essential governmental functions:

- 1. To promulgate administrative regulations and adopt bylaws for the regulation of its affairs and the conduct of its business, which shall define with specificity conditions precedent under which applications for loans or grants may be made and the order of priority upon which applications shall be acted;

2. To retain an executive director, who shall be experienced and knowledgeable in the fields in which the Authority may act, together with other employees, including for example only, engineers, accountants, and attorneys necessary and appropriate to enable the Authority to fulfill its duties, functions, and responsibilities;
3. To adopt a corporate seal;
4. To sue and be sued in its own name and to have the right, power, and authority to enforce its obligations and covenants made pursuant to these bylaws;
5. To levy a tax on every purchase of water service and sewer service in the state, such tax to be equal to not more than two percent (2%) of the gross amount of the bill for water services rendered;
6. To approve or reject applications made to the Authority for loans or grants;
7. To lease infrastructure projects or make loans or grants to or purchase or refinance obligations of any governmental agency for the purpose of assisting the governmental agency in the construction of infrastructure projects. A lease, loan, or grant shall be in accordance with the terms and conditions of an assistance agreement by and between the Authority and the governmental agency, which shall include the provisions and conditions specified in KRS 224A.100, and such other reasonable terms and conditions as the Authority shall determine;
8. Without reference to the provisions of KRS Chapter 56, to acquire and hold in the name of the Authority, by the exercise of the power of eminent domain pursuant to the Eminent Domain Act of Kentucky, the real property or rights therein, including rights-of-way, easements and licenses, and the personal property reasonably deemed necessary to effectuate the development, implementation, financing, and construction or acquisition of

any infrastructure project, and to make the properties available to governmental agencies in connection with infrastructure projects;

9. To receive service charges from governmental entities which have entered into assistance agreements with the Authority, in accordance with the terms and conditions of the assistance agreements, and to use and employ the service charges in accordance with the provisions of this chapter, the service charges to constitute Authority revenues;
10. To enter into and enforce assistance agreements with governmental entities by suit, action, mandamus or other proceedings, including obtaining by judicial decree the appointment of a receiver to administer infrastructure projects financed by leases, loans or grants which have been undertaken by governmental entities;
11. To enter into any necessary or required agreement with federal or state agencies or persons to carry out the provisions of this chapter;
12. To bid at a competitive public sale of obligations of a governmental agency or negotiate the purchase or sale of obligations of a governmental agency, notwithstanding any other law to the contrary;
13. To borrow money and issue negotiable bonds and notes pursuant to this chapter;
14. To lend money to governmental agencies or to advance moneys from the infrastructure revolving fund to the federally assisted wastewater revolving fund in order to match federal moneys that may become available;
15. To contract with the federal government as to any infrastructure project;
16. To participate with the federal government or any of its agencies, the state government or any of its agencies or political subdivisions, or any other person in the construction or repair of any infrastructure project; and

17. To establish special committees of the Board, and have, possess, and exercise all other powers reasonably incident to the carrying out of the duties and responsibilities of the Authority.

Section 5. Compensation. The members of the Authority shall receive no compensation for their services in their official capacity but shall be entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as Authority members.

ARTICLE V

Meetings

Section 1. Regular Meetings. The date, time, and location of each regularly scheduled monthly meeting shall be established annually by the end of the calendar year by resolution approved by the majority of the Board acting at either a regular meeting or at a special meeting.

Section 2. Annual Meeting. An annual meeting of the members shall take place in December, the specific date, time and location of which will be designated by the Chair. At the annual meeting the members shall elect officers, receive reports on the activities of the Authority, and determine the direction of the Authority for each fiscal year.

Section 3. Special Meetings. Special meetings may be called by the Chair. If a meeting is to be held at the call of the Chair, the call may be made in writing or orally, by telephone or otherwise, and shall advise members of the Board of the time, date, and place of the meeting, and the nature of the business to be considered at the meeting. Unless the Chair is of the opinion that an emergency exists that requires the Board to convene sooner, or if an emergency arises that requires postponement or rescheduling of a meeting, meetings of the Board shall be held at the designated times and locations at least forty-eight (48) hours after issuance of the call for the meeting.

Section 4. Notice of Meetings. The Secretary shall publish notice of all meetings of the Board, as required by the Kentucky Open Meetings Act, KRS 61.805 to 61.850.

Section 5. Quorum. Six members in attendance shall constitute a quorum of the Board for the transaction of business. Should any member in attendance abstain or recuse from voting on a matter, the quorum remains intact and decisions made carry the full weight of the Board.

Section 6. Voting. All issues to be voted on shall be decided by a simple majority of a quorum.

Section 7. Communications. Actions of the Board, and committees thereof, including elections, may be communicated by correspondence in a manner determined by the Board, such as mail, fax, voice phone, or similar means.

Section 8. Procedure. Meetings of the Board shall be conducted generally according to the rules of proceedings outlined in the most current edition of Roberts' Manual of Parliamentary Rules.

ARTICLE VI

Officers

Section 1. Officers. The officers of the Board shall be a Chair, Vice Chair, and a First Vice Chair. The Chair shall be selected from among the ex-officio membership, and the Vice Chair from among the at-large members. The First Vice Chair shall be selected from the entire Board membership. The term of office for the officers so elected shall be two (2) years.

Section 2. Election of Officers. Elections shall occur during the December Board meeting, and the term of office shall begin immediately upon election. Members may be re-elected to serve as a board officer.

Section 3. Vacancies. If, for any reason, an officer is unable or unwilling to fulfill his term, an election shall occur at the next scheduled Board Meeting in order to fill the vacant position for the remainder of the term.

Section 4. Absence of Officers. If, for any reason, the Chair is absent from a meeting or any portion thereof, the Vice Chair shall serve as Chair. If both the Chair and Vice Chair are absent from a meeting or any portion thereof, the First Vice Chair shall serve as Chair. In the event that all three are absent from a meeting or any portion thereof, a representative from the At-Large membership in attendance shall serve as Chair.

ARTICLE VII

Employees and Administrative Functions

Section 1. Employees. The Board may appoint an Executive Director and shall appoint a Secretary, Treasurer, and other staff as may be determined by the Board to be necessary or appropriate to the conduct of the Authority's business. Employees shall not be members of the Board of the Authority. Appointment of such employees shall be made upon recommendation of the Chair. If no Executive Director, Secretary, or Treasurer are appointed, their respective functions may be performed on an acting basis by Kentucky Infrastructure Authority staff, or by staff of other agencies as per a Memorandum of Agreement between the Authority and assisting agency.

Section 2. Executive Director. The administrative functions of the Authority shall be performed by the Executive Director under the supervision and direction of the Chair. The Executive Director shall be authorized to take all action necessary to carry out the Authority's administrative functions. The Executive Director shall supervise all other staff of the Authority.

Section 3. Secretary. The Secretary of the Authority shall take, transcribe, distribute copies to members of the Authority, and maintain and preserve a permanent record at the Authority's office, of the minutes of all meetings of the Board. The Secretary shall prepare and maintain an accurate record of the proceedings of the Board, and shall maintain and preserve the Authority's official correspondence files, and all books and other records of the Authority at the Authority's office. The Authority's records shall be open to public inspection as provided by the Kentucky Open Records

Act, KRS 61.870 to 61.884. The Executive Director shall acquire, and the Secretary shall maintain a seal for the Authority, which shall bear the legend “Kentucky Infrastructure Authority.” The seal shall be impressed or reproduced upon documents to which the Authority is a party, but the absence of the seal from any document shall not invalidate the legal effect of such document when executed on behalf of the Authority by the Chair or the Executive Director and the document is otherwise properly authorized, ratified, or approved for execution by the Authority. The signature of either the Executive Director or the Secretary shall attest the Authority's official acts.

Section 4. Treasurer. The Treasurer of the Authority shall receive and disburse funds of the Authority and shall keep all monies of the Authority deposited in its name as required by the Act, KRS 224A.110. The Treasurer shall report to the Authority not less often than semiannually on all funds maintained by the Treasurer as custodian for the Authority. The Treasurer shall disburse the funds of the Authority for any purpose for which such disbursement may be made under the Act, or for any other purpose for which they may be properly and legally expended, upon authorization by the Chair, the Executive Director, or as approved by the Authority by resolution or motion recorded in the minutes and duly adopted at a meeting of the Authority.

Section 5. Operations Budget. To ensure proper accountability for its programs, the Authority shall annually adopt an operation plan and budget, which shall contain in addition to any other information that may be necessary or desirable, an estimate of revenues accruing to and proposed expenditures by the Authority during the pending fiscal year. The Executive Director shall prepare and submit to the Board in a timely manner budgetary information necessary to the formulation and adoption of such a budget.

Section 6. Annual Financial Statement. The Treasurer of the Authority shall prepare a complete operating and financial statement covering the Authority for each fiscal year, which, after review and approval by the Authority, shall be submitted to the Governor and the General Assembly.

Section 7. Vacancies. Vacancies in the position of Secretary or Treasurer may be filled at any time by recommendation of the Executive Director. The appointed shall be confirmed by the Board at the next regular meeting.

ARTICLE VIII

Special Committees

Section 1. Membership. The Board is authorized to create Special Committees consisting of the members of the Board. The Chair or Executive Director, upon election by full membership of the Board, shall preside at meetings of the Special Committee. If a member of the Special Committee resigns or is unable to serve for any reason, the Chair shall appoint a member or members of the Board to fill the vacancy or vacancies until the next meeting of the Board, at which time a new member or members of the Special Committee shall be elected.

Section 2. Powers. The Special Committee shall review and recommend business items to be submitted to the Board for consideration and final approval. Any member of the Board may propose additional items for consideration. Except as specifically authorized by a resolution, or a motion recorded in the minutes of a meeting of the Board, a majority of the members present voting in favor thereof, the Special Committee shall have no power to take final action.

ARTICLE IX

Amendment of Bylaws

These Bylaws may be amended only upon approval of a majority of the members of the full membership of the Board acting at either a regular meeting or at a special meeting called for the purpose of amending these Bylaws.

CERTIFICATE OF ADOPTION

It is hereby certified that the foregoing Bylaws of the Kentucky Infrastructure Authority were adopted by the Board at a meeting held on the 26th day of September, 2019, and all members of the Board being present at such meeting, and a majority of the members voting in favor of adoption of the Bylaws.

This the 26th day of September, 2019.

SANDRA K. DUNAHOO, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

MARGARET LINK, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

EXAMINED:

GREG B. LADD
GENERAL COUNSEL
DEPARTMENT FOR LOCAL GOVERNMENT