

Bylaws of the Huerfano County Asset Management Corporation

Adopted March 1, 2022

Article 1. The Corporation

Section 1.01 Name and Incorporation

The name of this corporation is the Huerfano County Asset Management Corporation (“the Corporation”). The Corporation was incorporated February 17, 2022 under the Colorado Revised Nonprofit Corporation Act.

Section 1.02 Registered Office

The registered office of the Corporation shall be the same location as the principal office of the Huerfano County Board of County Commissioners (“the Commissioners” or “the BOCC”).

Section 1.03 Other Offices

The Board of Directors of the Corporation (“the Board”) may at any time establish other offices at any place or places within Huerfano County, Colorado.

Section 1.04 Membership

The Corporation shall have no members, other than members of the Board of Directors entitled to vote on any matter or for any other reason.

Section 1.05 Purpose

The purpose of the Corporation is to strategically manage real estate and other assets for the benefit of Huerfano County.

Article 2. Board of Directors

Section 2.01 Authority

The business and affairs of the Corporation shall be managed under the direction of the Board. The powers of the Corporation shall be exercised by or under the authority of the Board except as otherwise provided by statute, the Articles of Incorporation, these bylaws, or a resolution adopted by the Board.

Section 2.02 Number

The number of Directors shall be not less than three or more than seven, the amount at the discretion of the BOCC.

Section 2.03 Qualifications

Directors must be residents of Huerfano County and at least 18 years old.

Section 2.04 Term of Office

The term of each member of the Board shall be one year with automatic renewal. The term of each Director shall expire at the annual meeting.

Section 2.05 Appointment and Nomination

(a) Appointment

Directors are appointed by a majority vote of the BOCC, under such rules or procedures as the same may from time to time adopt or employ.

(b) Nomination

The Board may nominate a qualified person for appointment by the BOCC at any time with a 2/3 majority vote. The BOCC is under no requirement to consider or accept such a nomination.

Section 2.06 Removal, Resignation, and Vacancies

(a) Removal by the Board of County Commissioners

Pursuant to Article VII of the Articles of Incorporation, the BOCC may remove any Director, with or without cause, by a majority vote.

(b) Removal by the Board

The Board may remove any Director with a majority vote for any of the following causes:

(i) *Conduct Unbecoming*

After receipt of a written warning from the Chair, a director conducts themselves against the best interest of this Corporation in a manner that disrupts and/or corrupts-to-disorganize and/or impugns the good reputation of the Corporation.

(ii) *Crimes of Moral Turpitude*

The commission of a felony or a crime involving moral turpitude that in the reasonable opinion of the voting directors adversely affects the Corporation.

(iii) *Fraud or Dishonesty*

Willful dishonesty, fraud, or misconduct with respect to the business or affairs of the Corporation that in the reasonable opinion of the voting directors adversely affects the Corporation

(iv) *Dereliction of Duty*

Substantial failure or inability to carry out responsibilities as a member of the Board, or comply with the requirements of these by-laws

(c) Resignation

A Director may resign at any time by providing written notice or electronic transmission to the Chair or Vice Chair, with a copy to the Secretary. Any such resignation shall be effective upon receipt or at a subsequent time specified in the notice.

(d) Vacancies

Any vacancies on the Board resulting from the death, removal from office by the Board, resignation, or disability shall be noticed to the BOCC in writing within 14 days of such occurrence.

Section 2.07 Meetings

(a) Location

Regular meetings of the Board must be held within Huerfano County, Colorado. The Board may hold special meetings at any location within the State of Colorado.

(b) Virtual Meetings

Any Director may participate in a regular or special meeting by any means of communication by which all directors participating may hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting. Any meeting of the Board may be conducted entirely by such means and said meeting will be deemed to occur within Huerfano County, Colorado.

(c) Minutes

The Board shall keep and approve minutes of all meetings. Those minutes shall be kept in the corporate record and made available upon request.

Section 2.08 Notice of Meetings

Meetings of the Board shall be noticed under the same provisions and in the same locations as meetings of the BOCC. All meetings of the Board will be open to the public.

Section 2.09 Regular Meetings

Regular meetings of the Board will be held according to a schedule and at a location adopted by the Board at the Annual Meeting. Regular meetings must be held at least quarterly. The Board may alter the locations of meetings from time to time as determined by the Board.

Section 2.10 Special Meetings

Special meetings of the Board for any purpose or purposes may be called at any time by the Chair of the Board, the Chief Executive Officer, the Secretary or any two directors. The person(s) authorized to call special meetings of the Board may fix the place and time of the meeting. Notice of the time and place of special meetings shall be provided to each director and officer in written or electronic format at least 48 hours before the meeting time.

Section 2.11 Annual Meeting

Every September, the Board shall host an annual meeting to elect new officers, review the work of the Corporation, and adopt a plan for the coming calendar year.

Notice of the time and location of the annual meeting shall be given to all Directors, Officers, and Committee Members on or before the 1st of August.

The order of discussion for the Annual Meeting will generally be as follows: (1) presentation of the Treasurer's Report and Year End Financials; (2) review of all active contracts and those expiring through the end of the next calendar year; (3) review of the Corporation's actions, programs, and structure; (4) discussion and adoption of priorities for the coming calendar year; (5) review and adoption of the annual report; (6) election of officers; (7) adoption of meeting schedule for the coming year.

Section 2.12 Quorum

Except as otherwise required by law or the Articles of Incorporation, at all meetings of the Board, a majority of the number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the Articles of Incorporation or these bylaws.

Section 2.13 Proxies

Voting by proxy is prohibited.

Section 2.14 Board Action by Written Consent Without a Meeting

(a) Action Without Meeting

Unless otherwise provided in these bylaws, the Board may take any action permitted by statute with the unanimous written agreement of the Directors.

(b) Notice

In order for an action to be taken without a meeting notice must be provided to each director that includes at a minimum: (1) the action to be taken; (2) the time by which a director must respond; (3) the effective date of the action; and (4) a statement that failure to respond by the time stated in the notice will have the same effect as abstaining in writing.

(c) Voting

(i) Unanimous Consent

Unanimous Consent means that each director must vote in favor of the action or abstain for the action to be taken. Any votes against mean the action fails. Regardless of abstentions the action must receive the same number of affirmative votes it would take to pass the action if all directors were present and voting at a meeting.

(ii) Right to Demand Action Not be Taken without a Meeting

Any director has the right to demand that action not be taken without a meeting in writing and such demand will end consideration of the action until a meeting is held, provided said demand is received before the time stated in the notice.

(iii) Right to Revoke

Any director may revoke a vote, abstention, or demand that an action not be taken without a meeting that has been submitted in writing by the time stated in the notice and re-vote

(d) Exclusion

Should two or more members of the BOCC be seated as directors the Board may not take action without a meeting.

Article 3. Officers

Section 3.01 Creation

The officers of the Corporation will be a Chair of the Board, a Secretary, and a Treasurer. The Corporation may also, at the discretion of the Board, have a Vice Chair of the Board, a Chief Executive Officer, and any such other officers as the business of the Corporation may require in accordance with the provisions of these bylaws. Any number of offices may be held by the same person, provided, however, that the Chair of the Board shall not hold any other office of the Corporation.

Section 3.02 Appointment of Officers

The Board shall appoint the officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3.03 below. Each officer shall hold office until their successor

is elected or until their earlier resignation or removal. A failure to elect officers shall not dissolve or otherwise affect the corporation.

Section 3.03 Subordinate Officers

The Board may appoint, or empower the Chief Executive Officer to appoint, such other officers and agents as the business of the corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

Section 3.04 Removal and Resignation of Officers

(a) Removal

Any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer appointed by the Board, by any officer upon whom such power of removal has been conferred by the Board.

(b) Resignation

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective.

Section 3.05 Vacancies in Offices

Any vacancy occurring in any office of the corporation shall be filled by the Board or as provided in Section 3.03 above.

Section 3.06 Qualifications of Officers

Except as otherwise designated in these bylaws, officers need not be members of the Board. Officers that are not members of the Board will be employees or contractors of either Huerfano County or the Corporation.

Section 3.07 Chair of the Board

The Chair of the Board must be a member of the Board. The Chair will, if present, preside at meetings of the Board as well as exercise and perform such other powers and duties as may from time to time be assigned to them by the Board or as may be prescribed by these bylaws.

Section 3.08 Vice Chair of the Board

The Vice Chair of the Board must be a member of the Board. The Vice Chair will, if present, preside at meetings of the Board where the Chair of the Board is absent as well as exercise and perform such other powers and duties as may from time to time be assigned to them by the Board or as may be prescribed by these bylaws.

Section 3.09 Secretary

The Secretary will keep and maintain, or cause to be kept and maintained, a book of minutes of all meetings and actions of the Board; determine whether or not a quorum exists; compile and keep an up-to-date list of all members of the Board, including their contact information and assigned duties; keep

an up-to-date list of all members of any committees, working groups, and boards of subsidiary corporations; and be responsible for any other duties assigned by the Board or these bylaws.

Section 3.10 Treasurer

The Treasurer will have responsibility for corporate funds; keep the financial records and books of account of the Corporation; be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board; disburse the funds of the corporation as may be ordered by the Board; deliver at each regular meeting of the Board an account of all of their transactions as Treasurer and of the financial condition of the Corporation and render the same to any Director, the Chief Executive Officer, or the General Counsel, whenever requested; and be responsible for any other duties assigned by the Board or these bylaws.

Section 3.11 Chief Executive Officer

Subject to the control of the Board and any supervisory powers the Board may give to the Chair of the Board, the Chief Executive Officer will have general supervision, direction, and control of the business and affairs of the corporation; see that all orders and resolutions of the Board are carried into effect; perform all duties incidental to this office that may be required by law and all such other duties as are properly required of this office by the Board of Directors; preside over the annual meeting; and, in the absence of the Chair and Vice Chair of the Board, the Chief Executive Officer preside at all meetings of the Board.

Section 3.12 Authority and Duties of Officers

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board.

Article 4. Committees

Section 4.01 Authority to Create

The Board may, by resolution, create committees with such powers, duties and responsibilities as the Board deems necessary and appropriate in carrying out the Corporate purposes. Any such committee must include at least one Director except as otherwise designated in these bylaws. All committee members and alternate committee members are to be appointed by the Board. The resolution that creates a committee will serve as the charter for that committee and outline the following:

- purpose and organization of the committee
- time and place of committee meetings or how and when meetings are called
- the duties, responsibilities, and authority delegated to the committee.

Committees must to report to the Board as requested or required.

Section 4.02 Meetings and Actions of Committees

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Sections 2.07, 2.08, 2.10, 2.12, 2.13, and 2.14 with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. Notwithstanding the following:

- the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;
- special meetings of committees may also be called by resolution of the Board;
- Committee minutes must be provided to the Corporate Secretary once approved;
- notice of special meetings of committees shall also be given to any and all appointed alternate members, who will have the right to attend all meetings of the committee; and
- the Board may adopt rules for the governance of any committee not inconsistent with the provisions of these bylaws.

Section 4.03 Advisory Committees

The Board may create advisory committees under Section 4.01 that consist of experts on a particular matter to advise the Board on issues that may arise from time to time. These committees need not include a director; however, they will be limited to having only the power to make a recommendation to the Board or the Chief Executive Officer and may not be designated any part of Corporate Authority.

Section 4.04 Governance Committee

Whenever at least one member of the BOCC is not serving as a director, the Board will establish a governance committee consisting of the BOCC, the Chair of the Board, and at least one other member of the Board of Directors. The purpose of this Committee will be to help ensure effective governance of the Corporation, including, but not limited to:

- Assisting the Board in oversight and making recommendations regarding the Corporation's governance practices, including revisions to the Corporation's bylaws and other corporate documents, policies, and practices;
- Assist the Board in identifying qualified candidates to serve on committees;
- Evaluate the performance of the Board and corporate officers;
- Review and approve any conflict of interest disclosures filed the Directors or Officers;
- Consider and recommend the removal of directors, officers, and committee members; and
- Advising the Board on the general and specific strategic direction of the Corporation.

Section 4.05 Policy Committee

The Board will establish a Policy Committee consisting of the County Administrator, Land Use Director, Finance Director, and Economic Development Director. The Policy Committee will be Chaired by the County Administrator and include such County Staff or other members as the Administrator may appoint. The purpose of this Committee will be to:

- Review social, political, economic, budgetary, and environmental trends and public policy issues that affect or could affect the Corporation's business activities, performance, and public image, and review them with the Board as appropriate;
- Review and approve major projects, initiatives, and programs of the Board before implementation in order to adjust to such trends and risks so as to more effectively achieve the Corporation's long-term business goals;
- review the Corporation's annual budget, including reviewing and approving the budget for charitable contributions, and monitoring the Corporation's compliance with the annual budget;

- review any proposed indebtedness of the Corporation and transmit a recommendation to the BOCC for consideration;
- make recommendations to the BOCC regarding composition of the Board, particularly after a resignation or removal; and
- conduct any investigations into the corporation as the Committee deems necessary.

Article 5. General Matters

Section 5.01 No Political Affiliation or Endorsements

This Corporation, or any director, officer, or agent acting on behalf of this Corporation, shall neither adopt a particular political affiliation nor endorse any political candidate, organization, or policy.

Section 5.02 Fiscal Year

The Fiscal Year for the Corporation shall be September 1, through August 31, each year.

Section 5.03 Conflicts of Interest

No Member of the Board shall benefit directly from their activities as a member of this Corporation. Any potential conflict of interest shall be declared and voted upon by the Board of Directors. If the Board finds a conflict, the member with the conflict shall be prohibited from voting on that subject.

Section 5.04 Budget

The Board shall cause an annual budget to be created for the Corporation, said budget will be sent to the Policy Committee for review on or before the 1st of August. The Board must approve the Budget on or before the 31st of August.

Section 5.05 Procurement

The Corporation will use the procurement policy of Huerfano County.

Section 5.06 Grants

The Corporation may neither apply for any grants nor receive any funds, except in exchange for services rendered, from any district of the State of Colorado without the written approval of the Policy Committee. For the purposes of this section "District" has the meaning described by TABOR and the statutes implementing TABOR. The Corporation will otherwise follow the grant policy of Huerfano County as the same may be amended from time to time.

Section 5.07 Expense Reimbursement

Directors may be reimbursed incurred expenses with the approval of the Board following the submittal of documentation, as determined by resolution of the Board, to the Treasurer.

Section 5.08 Authority to Sign

The Chair of the Board will execute, in the name of the Corporation, all deeds, mortgages, bonds, contracts, and other instruments authorized by the Board, except in cases where the execution thereof has been expressly delegated by the Board to some other officer or agent of the Corporation.

Section 5.09 Contract and Loan Approvals

The Secretary will keep a record of all contracts approved by the Board. The Board may neither make nor honor any verbal agreements unless they are reduced to writing. Before the Board may enter into

any loan or incur any indebtedness, the BOCC must approve such indebtedness by resolution. The Board must forward the preliminarily approved proposed terms of the indebtedness to the Policy Committee for review and transmittal to the BOCC.

Section 5.10 Bankruptcy or Insolvency

The Board is expressly prohibited from taking any action towards bankruptcy or insolvency by the Articles of Incorporation. Any concern that the Board, or any director, officer, or agent of the Corporation, may have that an action or actions of the Board may lead to insolvency must be brought to the attention of the Policy Committee without hesitation or delay.

Section 5.11 Seal

The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

Article 6. Dissolution

The Board may approve the dissolution of the Corporation with a two-thirds majority vote with the condition that the BOCC also approve the dissolution by resolution. In the event of dissolution, all assets of the Corporation shall be transferred to Huerfano County after all creditors have been paid.

Article 7. Indemnification

Section 7.01 Power and Authorization to Indemnify

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

Section 7.02 Insurance

To the fullest extent permitted by applicable law, the corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was a director, officer, employee or agent of the corporation serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article.

Section 7.03 Survival of Indemnification

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

Section 7.04 Limitation on Indemnification

Notwithstanding anything contained in this Article to the contrary, except for proceedings to enforce rights to indemnification, the corporation shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

Section 7.05 Effect of Amendment or Repeal

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

Article 8. Amendments

These bylaws may be amended, altered, or repealed in whole or in part upon the consensus of a two-thirds majority of the Board of Directors after the review of the Governance Committee.

IN WITNESS THEREOF, we being the Directors of the Huerfano County Asset Management Corporation have hereunto set our hands this 1st day of March, 2022.

DocuSigned by:

Arica Andreatta

5FD25A4B7F614C1...

Arica Andreatta, Chair of the Board

DocuSigned by:

Gerald Cisneros

4C1B82CBBDEC4A6...

Gerald Cisneros

DocuSigned by:

John Galusha

EBF42CD9C340488...

John Galusha