

MIDDLE STRAITS LAKE IMPROVEMENT ASSOCIATION

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BYLAWS

ARTICLE I

Section 1 - Name: This Association, having been duly incorporated under Public Act #137 (1929) of the State of Michigan, as amended, shall henceforth be known as MIDDLE STRAITS LAKE IMPROVEMENT ASSOCIATION.

Section 2 - Purposes: The purpose of this Association is to exercise certain regulatory powers over the lands owned by said Corporation and within its jurisdiction, to establish By-Laws, provide penalties for the violation thereof, to do any and all things prescribed and allowable under and incidental to the powers and duties set forth in Act #137 of the Public Acts of Michigan for the year 1929, as amended; to provide for the maintenance and improvement of the quality of the water in Middle Straits Lake, and to prevent pollution of Middle Straits Lake and to pursue efforts to enforce safe recreational use of Middle Straits Lake.

ARTICLE II – MEMBERSHIP

Section 1: Free holders owning land within the below described territory are members of this corporation by execution of grants of authority or by election as prescribed in Act #137. The territory included in this corporation is described as:

- A. Lots 270 through 320, inclusive, of TRIPP'S MIDDLE STRAITS LAKE SUBDIVISION, of the West ½ of the Southwest ¼ of Section 7 and part of the West ½ of the Northwest ¼ Section 7, Township of West Bloomfield, and part of the East ½ of the Southeast ¼ of Section 12, Township of Commerce, Oakland County, Michigan.
- B. Lots 1 through 32, inclusive, and OUTLOT A of "Twin Beach Golf and Country Club" a subdivision of part of the South ½ of Section 18, Town 2 North, Range 9 East, West Bloomfield Township, Oakland County, Michigan.

- C. Lots 1 through 32, inclusive of Block 1, out Lot “B” lots 1 through 32, inclusive of Block 2, and lots 1 through 32, inclusive of Block 3, of “Crystal Beach Country Club” a subdivision of part of the West ½ of Section 18, Town 2 North, Range 9 East, West Bloomfield Township, Oakland County, Michigan.
- D. Lots 1 through 40, inclusive of Block 27; lots 1 through 52 of Block 36; Lots 1 through 18 of Block 37 of “Twin Beach Country Club”, a subdivision of part of the West ½ of Section 17, Town 2 North, Range 9 East, and part of the West ½ of the Northwest ¼ of Section 20, Town 2 North, Range 9 East, West Bloomfield Township, Oakland County, Michigan.
- E. Such other subdivided lots or parcels of land bordering upon MIDDLE STRAITS LAKE in the Townships of Commerce and West Bloomfield, Oakland County, Michigan.

ARTICLE III – DIRECTORS AND MEETING OF DIRECTORS

Section 1: The business and property of this corporation be managed and controlled by a Board of Directors within the limitations prescribed by Act #137 except as herein provided. At any meeting of the Board of Directors, two-thirds of the whole number of Directors shall constitute a quorum for the transaction of business, and a majority vote of such quorum shall be sufficient to pass any measure before such meeting. The Board of Directors shall have other power and authority as is usual in like organizations or as voted thereto by the members of the corporation.

Section 2: All executive powers herein granted shall be vested in this Board of Directors.

Section 3: The Board of Directors shall consist of nine members elected thereto as hereinafter provided **and 1 member from each member association in good standing as duly appointed by that association’s board, so noted in that association’s minutes and in accordance with that association’s bylaws provided however, that in no instance shall the number of association representative board members exceed the number of board members elected by the general membership of the association (amended 8/10/2005).** No member shall be a member of the Board of Directors by election or appointment for more than two consecutive terms. **If a sufficient number of other members have not announced a willingness to serve on the Board of Directors, then this duration clause may be waived on a year to year basis.** Directors shall be elected for

terms of three years. Directors elected or appointed to fill a vacancy shall serve until the next annual meeting of the members of the corporation.

Section 4: The Board of Directors shall meet at least once in each month at a place and date to be designated by the Board of Directors. Special meetings of the Board of Directors may be called by the President or Secretary, or by a majority of the Board of Directors, upon two days notice to the members thereof, said notice to give the time and place of the special meeting and the purpose thereof. The attendance of a Director at any meeting shall be considered as waiving notice of the meeting by that Director.

Section 5: The order of business of such regular or special meeting shall be as follows:

- A. Reading of the minutes of the previous meeting.
- B. Report of the President.
- C. Report of the Vice-President(s).
- D. Report of the Treasurer.
- E. Report of the Secretary.
- F. Report of the Standing Committees.
- G. Report of the Special Committees.
- H. Unfinished business.
- I. New business.

Section 6: The Directors shall be nominated in the following manner: One or more candidates shall be placed in nomination by a nomination committee which said nomination committee shall make its report at the meeting of the Board of Directors preceding the annual meeting of the Association. At the said meeting and prior to the annual meeting, such nominations as may be made by the members of the Association and submitted to the Board shall be added to the list submitted by the nomination committee to be voted upon at the annual meeting.

Section 7: The full list of nominees for the Board of Directors shall be published, together with their addresses, in the notice of the annual meeting and distributed to

the membership at least ten days prior to the annual meeting. Additional nominations may be made from the floor at the annual meeting.

Section 8: The Directors shall be elected by ballot at the annual meeting. The results shall be tabulated by the election committee, appointed by the Board of Directors, and announced by the election committee at the same annual meeting. In the event of a tie, the results shall be decided by a flip of a coin.

Section 9: Vacancies occurring in the Board of Directors shall be filled by the Board, and any member thus appointed shall serve until the next annual meeting, at which time a successor shall be elected to the unexpired term.

Section 10: Any member of the Board of Directors who misses any two consecutive regular Board meetings without an excuse approved by the Board of Directors may be suspended from the Board. The Board shall replace such a member on the Board on resolution passed by the Board of Directors declaring such membership on the Board of Directors vacant.

ARTICLE IV – MEMBERSHIP MEETINGS

Section 1: A meeting of the members of the corporation shall be held annually in the County of Oakland, Michigan, on the first Friday of June of each year, if not a legal holiday, and if a legal holiday then on the Friday following, for the purpose of electing directors and for the transaction of such other business as may be brought before the meeting.

Section 2: Special meetings of the members may be called by the President or Secretary, and shall be called by either of them at the request in writing or by a vote of a majority of the Board of Directors, or at the request in writing by fifteen members of the corporation. The same procedures will be followed as at the regular annual meeting. No business, other than that contained in the special notice will be transacted. Decisions made at special meetings will be treated as if they had been made at a regular meeting.

Section 3: A written notice of any membership meeting shall be distributed to each member at his known address, as the same appears on the records of the corporation. This notice is to be distributed at least ten days prior to any meeting, and any notice of a meeting shall include a brief agenda. A single notice may be given to husband and wife owning by the entirety.

Section 4: Each member shall be entitled to one vote. Husband and wife owning by the entirety shall each be entitled to one vote. **Prior to the meeting, any**

member may vote by absentee ballot in writing filed with the Secretary of the meeting.

Section 5: the President shall call meetings of the members to order and shall act as Chairman of such meeting, unless otherwise determined by the majority of the members present in person or by **absentee ballot**. The Secretary shall act as Secretary of all meetings of the members, but in the absence of the Secretary at any meeting, or in the event of his inability to act as Secretary, the presiding officer may appoint any person to act as Secretary at the meeting.

Section 6: Meetings of the members and of the Directors shall be conducted in accordance with Robert's Rules of Order.

Section 7 – Fiscal Year: The fiscal year of this Corporation shall be January 1st to December 31st.

ARTICLE V – OFFICERS

Section 1: Once in each year, at their first meeting immediately following the annual meeting, the Board of Directors shall select a President, Vice-President, Secretary and Treasurer **from those directors elected by the membership (amended 8/10/05)**. All officers must be members of the Board, and each shall hold office until his successor shall be elected and qualified.

Section 2: The newly elected officers shall be installed and their duties shall commence at the next regular meeting of the Directors following the annual meeting.

Section 3: The Board of Directors may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation. All officers and agents shall respectively have such authority and perform such duties in the management of the property and affairs of the corporation as may be designated by the Board of Directors.

Section 4: The Board of Directors **may** secure the fidelity of the Treasurer, and may secure the fidelity of any or all such other officers or agents by bond.

Section 5: No Director shall receive any salary or compensation for his services as Director, unless otherwise especially ordered by the Board of Directors or By-Laws.

Section 6: Any vacancy, created by voluntary retirement, or by removal from office for any reason, shall be filled by appointment, (by the Board) for the

remainder of the unexpired term; at which time, the office will be filled in the usual manner, at the annual meeting.

ARTICLE VI – DUTIES OF OFFICERS

Section 1 - President: The President shall be the chief executive officer of the Association; and shall preside over all meetings of the Board and general membership. He/She shall manage the business of the Association and will see that all orders and resolutions are put into effect. He/She will be an ex officio member of all standing committees, and shall have the general powers and duties of supervision usually vested in a President. The President shall have the power to delegate any specific power except such as may be by statute exclusively conferred upon the President, to any other officer or officers of the corporation.

Section 2 – Vice-President: The Vice-President shall perform all of the duties of the President in his absence, and in case of death, resignation or other disability of the President, shall assume full duties of the President for the balance of his term. The President may assign other duties to the Vice-President.

Section 3 – Treasurer: The Treasurer shall receive payment of dues and assessments of the members of this Association and to receipt thereof; to keep a complete and accurate record thereof and of the said membership together with their addresses; to receive all other funds of the Association; deposit or invest them as the Board of Directors may direct and to pay them out as directed by the Board of Directors; to keep an accurate account of the same and to render a correct report therefore to the Association at its regular business meetings; to submit his/her accounts for the inspection of the Board of Directors or the Finance Committee. **(The Treasurer may be required to give a bond in such sum as the Board of Directors may deem advisable, the cost of such bond to be paid out of the funds of the Association.)** On leaving office, either by limitation of his/her term of office or otherwise, the Treasurer shall deliver to his/her successor all monies, books, papers and other property belonging to the Association, which may then be in his/her possession or under his/her custody or control; and in the absence of or for want of such successor he/she shall deliver the same to the Secretary of the Association.

Section 4 – Secretary: The Secretary of the Corporation shall keep the minutes of all the meetings of the members and Board of Directors in books provided for that purpose; he/she shall attend to the giving and receiving of all notices of the Corporation; he/she shall sign, with the President or Vice-President, in the name of the Corporation, all contracts authorized by the Board of Directors, and he/she shall perform such other duties as may be delegated to him/her by the Board of Directors. It shall be the Secretary's responsibility to provide a copy of the

minutes of the previous monthly meeting upon request of any member of the Association. A recording Secretary may be selected by the Board to facilitate secretarial duties, should this become necessary.

ARTICLE VII – STANDING COMMITTEES

Section 1: The President may appoint the following standing committee chairman from the members of the Board of Directors not holding office: Social, Water Quality, Publicity, and Ecology. The Vice-President, Treasurer and Secretary shall chair the following committees respectively: External Affairs, Finance, and Publicity. Each committee shall consist of two or more members of the Association, appointed by the chairman, subject to the approval of the Board of Directors.

Section 2: The President shall appoint such other special committees as may be directed by the Board of Directors or as he/she may from time to time deem advisable.

Section 3: The President shall be an ex-officio member of all committees with a voice and a vote and shall be notified of all committee meetings.

Section 4: All standing committee members serve until their successors are appointed and qualified and no committee member, appointed subject to the approval of the Board of Directors, shall be removed without the approval of the said Board of Directors. All special committees shall serve until discharged from their responsibilities by the President.

Section 5: The chairman of each standing committee, requiring a Secretary and/or Treasurer, shall appoint one from the membership of said committee. In the event that the said committee shall conduct any activity for the purpose of raising funds for the Association said Secretary and/or Treasurer shall file with the Treasurer of the Association a detailed account of the funds received, the expenses incurred and the net proceeds of the said activity within a period of fifteen days following the said activity.

Section 6: Before any committee member shall conduct any function for the purpose of which is to raise funds for the Association, or participate in any external activity as a representative of the Association, permission must be obtained from the Board of Directors.

Section 7: The standing committees are charged with the following general responsibilities:

- A. External Affairs: Represent the Association in governmental activities which affect the interests of the Association as deemed necessary by the Board of Directors.
- B. Publicity: Edit and have published a newsletter containing minutes of the meeting of the Board of Directors and newsworthy articles to the members of the Association. Publicize Association's functions to the membership.
- C. Finance: Plan for the long and short range financial needs of the corporation and recommend to the Board and the membership the adoption of such plans and the means of financing such plans.
- D. Membership and Nominating: Keep an accurate record of the names, addresses, and property owned by members. Perform all the duties of the nomination committee as previously set forth in these By-Laws.
- E. Social: Plan and organize social events and functions of the Corporation. Receive and acquaint new members to the Association.
- F. Water Quality: Maintain surveillance of water pollution. Plan weed control and water quality programs and recommend necessary action to the Board.
- G. Lake Recreational Use Safety: Maintain surveillance of recreational safety conditions on the lake, and influence the Board for authority and influence the individual citizen for cooperation.

ARTICLE VIII – AMENDMENTS

Section 1: Amendments to these By-Laws may be made in the manner following: The Board of Directors shall enact any amendment hereto, subject to repeal or modification by the members at any regular or special meeting. All amendments to By-Laws so established by the Corporation shall take effect ten days after passage and each said amendment shall be posted conspicuously in three public places within the jurisdiction area of the Corporation at least five days before the time for taking effect and proof of such posting shall be made by an officer of the Corporation and entered on the record of the Corporation. Copies of such

amendments shall be mailed to members not less than five days before the meeting at which repeal or modification may be considered.

ARTICLE IX – DUES AND SPECIAL ASSESSMENTS

Section 1: Dues for any given year are due and payable from January 1st to April 15th of that year. Any member whose dues or assessments have not been paid on or before April 15th shall be charged a 10% penalty as of April 16th, and an additional 10% penalty shall be added for each such subsequent six month period in which said dues, assessments, or previously imposed penalty shall remain unpaid, except as covered in Article IX, Section 4. Any dues or penalties not paid before April 15th of the year for which assessed shall become a lien upon the lot or property against which they are assessed. After 15 months from the January 1st date on which levied, court action may be instigated to foreclose said lien with interest, penalties and legal fees, if any.

Section 2: Annual dues shall be \$55.00 per taxable piece of property improved with a house or cottage as defined by the Tax Rolls of West Bloomfield or Commerce Township, and \$5.50 per taxable piece of vacant property. Lots owned by individual subdivisions available for use by the owners of property within such subdivisions shall be assessed \$5.50 per each member entitled to the use thereof as of July 15th in each calendar year. Golf Clubs shall be assessed \$1,375 as of July 15th as of each calendar year. (amended April 13, 2004)

Section 3: Special assessments may be assessed by the Directors pursuant to and in an amount authorized by a majority vote of the members present at and voting at a meeting called for that purpose, such special assessments to be due and payable within 90 days from time of notification in writing as provided in Article IX, Section 1, and to bear the same penalty therein provided. Such special assessments also to be liens against the lot or property against which assessed.

Section 4: Any member **whose financial situation does not allow timely payment of these fees** may petition the Board of Directors for the purpose of reducing or canceling his/her dues or assessments. Upon good showing the Board may so reduce or cancel such dues or assessments.

ARTICLE X – BUSINESS AND ACCOUNTING

Section 1: All bills and accounts shall be approved by the Board of Directors before any payment is made thereon.

Section 2: The President shall have the power to authorize the expenditure of the Association funds in the event of an emergency.

Section 3: Books of the Association **may** be audited annually or at such other times as may be requested by the Board of Directors or ordered by the majority vote of the membership present at any regular meeting, or upon a change in the office of Treasurer.

Section 4: The Association shall designate a depository for the funds of the Association, by action of the Board of Directors.

Section 5: Membership list of this Association shall not be used for any but Association purposes or business.

Section 6: All checks, drafts, and orders for payment of money shall be signed by any two of the following officers: President, Secretary or Treasurer.

ARTICLE XI – NONDISCRIMINATION

Section 1: The Middle Straits Lake Improvement Association Board and its Directors and Officers shall not discriminate against any member based upon religion, race, color, national origin, age, sex, height, weight, familial status or marital status.

ARTICLE XII – CONFLICTS OF INTEREST

Section 1: As a general rule the Middle Straits Lake Improvement Association should avoid doing business with Board members or Association members to avoid conflicts of interest or the appearance of conflicts of interest. However, where a Board member or Association member can provide the Association a necessary product or service with value or quality equivalent to or in excess of that available from other vendors at a price or for a fee that is lower than that charged by the other vendors; the Board may consider such an arrangement.

ARTICLE XIII - LIABILITY

Section 1: A volunteer director of the Middle Straits Lake Improvement Association shall not be personally liable to the Association or its members

for monetary damages for a breach of the volunteer directors fiduciary duty, except for liability that involves intentional misconduct or a knowing violation of law.

Section 2: The Middle Straits Lake Improvement Association as a whole shall assume the liability for all acts or omissions of a member of the Board of Directors if the action of the member of the Board of Directors was such that he/she was acting within the scope of their authority and did not violate Section 1 of this Article.

Section 3: The Board of Directors herein is hereby empowered to secure and maintain liability insurance to protect the Board of Directors from any cause of action which could or would be filed against them. Said insurance is to be paid for in full by the Middle Straits Lake Improvement Association through the annual dues or special assessment.