



**BYLAWS & RULES OF PROCEDURES
OF
THE TELLURIDE REGIONAL AIRPORT AUTHORITY (TRAA or the Authority)**

These Bylaws and Rules of Procedure are a compilation of some, but not all, of the laws, contractual agreements and policies under which the Board of Commissioners operates. Except as provided by law, this Board of Commissioners, by adoption hereof, obligates itself to comply with the provisions hereof.

1. BOARD MEMBERSHIP AND TERMS

TRAA’s Board of Commissioners (“TRAA Board” or “Board”) is comprised of nine voting members, representing the county and municipalities which combined to create the Telluride Regional Airport Authority. Members of the Board must be appointed by resolution of the governing boards of each of the following: San Miguel County, Town of Telluride and Town of Mountain Village. Each of the governing boards of San Miguel County, Town of Telluride and Town of Mountain Village shall appoint three regular voting members to the TRAA Board. In addition, each such governing board may, in its sole discretion, appoint an alternate member of the TRAA Board, who shall be entitled to vote at properly scheduled meetings of the TRAA Board in the absence of a regular voting member from the town or county from which said alternate member was appointed.

All business of the Board shall be conducted only during regular or special meetings, or working sessions of the Board, and all such meetings and work sessions shall be open to the public.

All members of the TRAA Board must be taxpaying electors, registered to vote, who reside in the town or county from which appointed for not less than thirty days, or who own taxable real or personal property situated within the boundaries of the town or county from which said member was appointed. A change of residence of a member of the Board to a place outside the municipality or county which he or she represents automatically creates a vacancy on the Board as to that municipality or county.

The regular term of each seat on the Board shall be four years. A Board member’s term begins on the effective date of their appointment and expires four years from the expiration of the prior term applicable to that seat. . Board members appointed to fill a vacancy on the Board that is not created by the natural expiration of a four-year term (e.g., resignation) shall only be initially appointed to serve the remainder of an unexpired term. At the expiration of the term of any member, a new appointment shall be made by the appropriate governing board; any member, including a member appointed to fill a vacancy, may be appointed to serve a successive term, except as otherwise stated herein.

2. NOTICE OF MEETINGS

All regular or special meetings are subject to the open meeting and notice requirements of C.R.S. § 24-6-402. Notice of any regular or special meeting, together with specific agenda information if available, shall be posted on the Authority's website no less than twenty-four hours in advance of any meeting. In the case of exigent or emergency circumstances where notice cannot be posted on the Authority's website, the Authority hereby designates the following location for posting of a public notice: 305 W. Colorado Avenue, Telluride, CO 81435.

3. REGULAR MEETING

The Board shall meet a minimum of 6 times per year or more frequently as the Board may determine is appropriate. Regular meetings of the Board shall be held on the third Thursday of the month, at 12:00 pm. The day of a specific regular meeting may be changed in the event that the meeting conflicts with a major community or airport event. All meetings shall be noticed in accordance with Paragraph 2 above.

4. SPECIAL MEETINGS

A special meeting may be called by any member of the Board by informing the other members of the purpose for which it is called and the desired date and time of such meeting. The Board Chairperson/Vice Chairperson shall work with management to schedule such meeting at a date (as close as possible to the requested date) and time most convenient for a majority of the members. Special meetings shall be noticed and posted as provided in Paragraph 2 above. Special meetings are limited to matters which cannot be reasonably scheduled for the next regular meeting.

5. QUORUM AND ATTENDANCE

The Board shall conduct business only if a quorum of six voting members is present at the meeting. Any combination of regular members and alternate members (who are entitled to vote as set forth herein below) that equal six members shall be considered a quorum. Withdrawal of a regular member or an alternate member of the TRAA Board from any meeting shall not cause failure of a duly constituted quorum at that meeting.

If, at the start of a meeting, there are less than three regular voting members present from one or more of the county or municipalities which combined to create the TRAA, then the alternate member appointed by said county or municipality shall be eligible to vote during said meeting. In the event that such county or municipality has not previously appointed an alternate member, then that county or town shall not have the right to a vote on behalf of or for said missing regular voting member during that meeting.

Each TRAA Board member is expected to attend at least 50% (one-half) of the regular meetings during each calendar year. If, at the end of the year, a member's attendance is less than the 50%,

he or she shall no longer be a member of the Board and the appointing body will be notified and asked to appoint a new member. The terminated member cannot be reappointed to succeed him or herself.

If possible, attendance at all meetings of the TRAA Board shall be by personal attendance. However, no more than twice in each calendar year, a regular voting or alternate member may attend a board meeting remotely, unless otherwise approved by the Chairperson. There shall be no attendance at a Board meeting by proxy.

Nothing in these Bylaws shall prohibit Airport staff from communications with Board members on Airport or Authority business outside of regular or special meetings, provided, however, that all communications are subject to and must comply with applicable law, including but not limited to the Colorado Open Records Act and Colorado Open Meetings Law. No act of any individual Board member, nor any number of Board members together, shall operate to bind the Authority unless such action is approved by a vote of the Board at a regular or special meeting properly noticed in accordance with Paragraph 2.

6. STANDARDS OF CONDUCT & CONFLICTS OF INTEREST

Members of the Board, employees, and agents of TRAA shall not:

- A. Disclose or use confidential information acquired in the course of their official duties in order to further substantially their personal financial interest;
- B. Accept: (a) a gift of substantial value, (b) a substantial economic benefit, tantamount to a gift of substantial value, including, but not limited to, the acceptance of a loan at a rate of interest substantially lower than the commercial rate then currently prevalent for similar loans, (c) compensation for private services rendered at a rate substantially exceeding the fair market value of such service, or (d) payment of salary from employment, (i) which would tend improperly to influence a reasonable person in his position to depart from the faithful and impartial discharge of his public duties, or (ii) which he knows or which a reasonable person in his position should know, under the circumstances is primarily for the purpose of rewarding him for official action he has taken.
 1. Provided however, notwithstanding the foregoing, the following shall not be prohibited by this provision: acceptance of (i) campaign contributions or contribution in kind reported as required by the Colorado Revised Statutes, (ii) unsolicited items or informational material of trivial value, (iii) a gift with a fair-market value of fifty-three dollars or less, provided that it is given by a person who is not a professional lobbyist, (iv) unsolicited tokens or awards of appreciation as described in the state constitution, (v) payments or reimbursements by a nonprofit organization or state and local government, for reasonable expenditures for travel in connection with

attendance at a convention, fact-finding mission or trip, or other meeting permitted by the state constitution, (vi) payment of or reimbursement for admission to, and the cost of food or beverages consumed at, a reception, meal, or meeting that may be accepted or received in accordance with the provisions of the state constitution, or (vii) payment for speeches, appearances, or publication reported as required by the Colorado Revised Statutes;

- C. Engage in a substantial financial transaction for their private business purposes with a person whom they inspect or supervises in the course of their official duties;
- D. Perform an official act directly and substantially affecting the economic benefit of a business or other undertaking in which they have a substantial financial interest or is engaged as counsel, consultant, representative or agent;
- E. Vote on or attempt to influence the decisions of other members of TRAA in voting on a matter in which they have a private or personal interest in the matter proposed or pending before TRAA, and they shall disclose such interest to the members of the Board, except that, they may vote on said matter if their vote or participation is necessary to obtain a quorum or otherwise enable the Board to act and if they voluntarily discloses the nature of their private interest which may impinge on their fiduciary duty and the public trust;
- F. No member of the Board shall receive any compensation as an employee of the Authority or otherwise and no member of the Board shall be interested in any contract or transaction with the Authority except in their official respective capacity; or
- G. Any member of the Board who is present at a meeting at which is discussed any matter in which they have, directly or indirectly, a private pecuniary or property interest, shall declare their interest and shall refrain from advocating for or against the matter, and shall not vote in respect to such matter.

Members of the Board are “local government officials” pursuant to C.R.S. § 24-18-102(6), and are therefore subject to the standards of conduct for local government officials specified in C.R.S. §§ 24-18-101 through -113. To the extent that these Bylaws and Rules of Procedure conflict with any provision of the Colorado Revised Statutes, the Colorado Revised Statutes shall govern.

7. MINUTES AND RECORDS

The Board shall record all resolutions as soon as practical after their passage in a book of minutes kept for that purpose. The minutes will be authenticated by authorized signature of the Chair of the Board and will become public record.

8. EXECUTIVE SESSIONS

The Board may hold an executive session only at a regular or special meeting if two-thirds of the quorums present votes affirmatively to do so. The purpose of the executive session must be stated in general terms, and it must be one of the following reasons:

- A. The purchase, acquisition, lease, transfer or sale of any real, personal or other property interest.
- B. Conferences with an attorney for the purpose of receiving legal advice on specific legal questions.
- C. Details of security arrangements or investigations.
- D. Determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.
- E. Personnel matters, except if the employee who is the subject of the session has requested an open meeting.
- F. Matters required to be kept confidential by Federal or State law or rules and regulations.
- G. Consideration of any documents protected by the mandatory nondisclosure provisions of Part 2 of Article 72 of Title 24, Colorado Revised Statutes, commonly known as the "Open Records Act".
- H. Other purposes allowed under current law.

Adoption of any proposed policy, position, resolution, rule, regulation or any other formal action shall not occur at any executive sessions.

9. WORK SESSIONS

The Board may hold work sessions from time to time, when necessary to discuss various subjects. Work sessions may be held to exchange information with the public, gather information on subjects too lengthy or too complex for a regular meeting, or for any other reason the Board desires. All work sessions shall be open to the public. No adoption of any proposed policy, position, resolution, rule, regulation, or formal action shall occur at any work session. Work sessions shall be noticed in accordance with Paragraph 2 above.

10. CHAIRPERSON

The members of the Board shall elect, from one of their regular members, a person to serve as Chairperson. The term shall be for two (2) years, and the Chairperson may serve multiple terms

if reelected; however, the Chairperson may not serve more than two (2) consecutive terms. The previous sentence notwithstanding, a Board member may serve as Chairperson for a third (3rd) consecutive term only upon an affirmative vote of no less than two-thirds (2/3) vote of the Board. By vote of the Board, the Chairperson may be removed and a new Chairperson elected, at any time, with or without cause. The Chairperson shall be the Chief Executive Officer of the Board and shall preside at all meetings of the Board. The Chairperson alone, or in the event of the Chairperson's absence or disability, the Vice-Chairperson, may sign and execute in the name of the Board, any leases, contracts and other instruments duly authorized by the Board and generally, shall perform all duties incident to the office of Chairperson and such other duties as may from time to time be assigned by the Board. In the event of both the Chairperson's and Vice Chairperson's simultaneous absence or disability, the Board may but shall not be required to appoint a temporary acting Chairperson, with such appointment to expire immediately upon the earlier of (i) the return of the permanent Chairperson or Vice Chairperson from absence or disability, or (ii) the appointment by the Board of a replacement permanent Chairperson or Vice Chairperson.

The signature of the Chairperson (or person acting as Chairperson) will not be sufficient to bind the Board unless such signature is first authorized by, and on behalf of said Board at a meeting held pursuant to lawful notice with a quorum present or unless said action is subsequently ratified by the Board.

11. VICE-CHAIRPERSON

The members of the Board shall elect from one of their regular members, a person to serve as Vice- Chairperson. The term shall be for two (2) years, and the Vice-Chairperson may serve multiple terms if reelected; however, the Vice Chairperson may not serve more than two (2) consecutive terms. The previous sentence notwithstanding, a Board member may serve as Vice Chairperson for a third (3rd) consecutive term only upon an affirmative vote of no less than two-thirds (2/3) vote of the Board. At the request of the Chairperson or in the event of the Chairperson's absence or disability, the Vice-Chairperson shall perform the duties of the Chairperson, or such other duties as may from time to time be assigned to him/her by the Board or Chairperson.

12. COMMITTEES

The Board may, by resolution, form one or more committees to investigate, report and recommend to the Board on matters of interest to the Board or to accomplish any purpose or project or work assigned to it by the Board. Findings or actions of a committee will not be sufficient to bind the Board and are advisory only. The Board shall adopt a charter for each committee setting forth the purpose and structure of the committee. Members of the committees shall be appointed by the Board as specified in the charter for each committee.

13. COMPENSATION

Members of the Board and members of committees shall serve without compensation for their services. Those members, however, shall be entitled to reimbursement for necessary and reasonable expenses incurred in the performance of their duties.

14. STAFF

The Board may employ managerial, clerical, legal, consulting and engineering assistance and labor and delegate to such employees those powers conferred to it under Colorado law subject to such conditions and restrictions as shall be fixed by the Board.

15. CONTRACTING

The Board may allow or reject claims and demands and let contracts on a fair and competitive basis for construction, equipment or performance of labor, material or supplies as required in carrying out any purpose of the Board. However, in cases where the amount to be authorized is two hundred and fifty thousand dollars (\$250,000.00) or more, the affirmative vote of a majority Board shall be required, and all other questions shall require the affirmative vote of not less than fifty percent of the TRAA Board. Beginning January 1, 2029, and every five years thereafter, the \$250,000.00 figure is adjusted for inflation per C.R.S. § 41-3-103(12.5).

The Board shall comply with its Purchasing and Procurement Policy in the letting of all contracts. For any contract involving federal funds, the Board shall comply with all applicable federal statutes, regulations, guidelines, and policies.

16. REVENUES

All revenues from the ownership and operation of the airport and any other funds coming under possession of the Board shall be disbursed by order of the Board in accordance with these Bylaws and Rules of Procedures and the Purchasing and Procurement Policy.

17. BUDGET

TRAA staff shall prepare, and the Board shall approve an operating and capital expenditure budget showing anticipated revenues and proposed expenditures on or before December 31 of each year for the succeeding calendar year. The operating budget will include all non-capital expenditures. Both budgets may be amended at any time, subject to Board approval.

18. INSURANCE

The Board may obtain insurance on any person who is or was a Board member, committee member, or employee against any liability arising out of their status as such, whether or not the Board would have power to indemnify them against such liability.

19. INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Board and Board committee members (a director), officers, and employees of TRAA shall be indemnified and held harmless, in the event that any such person is a party, or is threatened to be made a party, to any threatened, pending, or completed legal action, lawsuit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of TRAA) by reason of the fact that that person is or was a director, officer or employee of TRAA, against expenses (including reasonable attorneys' fees and costs), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such legal action, lawsuit, or proceeding if that person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of TRAA, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment or settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of TRAA, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. Provided, however, that no indemnification pursuant to this paragraph shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of that person's duty or obligation to TRAA, unless and only to the extent that the court in which such legal action, lawsuit or proceeding was brought shall determine upon application that despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. The indemnification provided by this paragraph shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any contract or agreement and shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors, and administrators of such person.

20. APPROVAL

Upon approval of the TRAA Board, these Bylaws and Rules of Procedures shall become effective **November 21, 2024**, and will replace the Bylaws and Rules of Procedures of the Telluride Regional Airport Authority presently operative for TRAA, and any and all previous TRAA Bylaws and Rules of Procedures. If any paragraph or part of these Bylaws and Rules of Procedures shall become invalid or void, the remainder shall not be affected thereby.