NINTH AMENDED BYLAWS OF
THE BASTROP ECONOMIC DEVELOPMENT CORPORATION
OF THE CITY OF BASTROP, TEXAS
A NON-PROFIT CORPORATION

These bylaws (referred to as the “Bylaws”) govern the affairs of the Bastrop Economic Development Corporation, a public instrumentality and a non-profit corporation (hereinafter referred to as the “Corporation”) created under Section 4B of the Development Corporation Act of 1979, Local Government Code, Subchapter A, Sections 501.001 and 505.001, et seq., as amended (hereinafter referred to as the “Act”).

ARTICLE I
PURPOSE AND POWERS

Section 1. Purpose. The Corporation is incorporated for the purposes set forth in Article IV of its Articles of Incorporation, the same to be accomplished on behalf of the City of Bastrop, Texas (the “City”), as its duly constituted authority and instrumentality in accordance with the Act.

Section 2. Powers. The Corporation shall have all of the express and implied powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law.

ARTICLE II
BOARD OF DIRECTORS

Section 1. Number and Terms of Office.

(a) The affairs of the Corporation shall be managed and controlled by a Board of Directors (the “Board”) and, subject to the restrictions imposed by law, by the Articles of Incorporation, the Act, and by these Bylaws, the Board shall exercise all of the powers of the Corporation.

(b) The Board shall consist of seven (7) Directors, each of whom shall be appointed by and serve at the pleasure of the City Council (the “Council”) of the City of Bastrop.

(c) Directors are appointed for terms of two (2) years each. Seats on the Board shall be numbered one (1) through seven (7), with the terms of odd numbered seats expiring in June of odd numbered years, and even numbered seats expiring in June of even numbered years.

(d) Any director may be removed from office by the Council at will, with or without cause.

(e) In the event of a vacancy on the Board, the City Council shall make an appointment to fill the remainder of the unexpired term.

Section 2. Qualifications.

(a) The City Council shall appoint the Directors of the Corporation.
1. A minimum of five (5) of the Directors shall be persons who are not members of the City Council of Bastrop. Up to two (2) Directors may be the Mayor or members of the City Council.

2. Employees of the City of Bastrop are not qualified to serve on the Board.

(b) The City Council shall consider an individual’s experience, accomplishments, and education background in appointing Directors to the Board to ensure that the interests and concerns of all segments of the community are considered.

(c) Each Director shall have at least one (1) of the following qualifications:

1. Experience in management or in an executive capacity.
2. Experience in the evaluation of financial and business records and projections.
3. Experience in economic development matters.
4. Education, training, or experience useful to the Corporation’s purposes.

(d) Directors of the Board shall be:

1. A resident of the City of Bastrop and reside within corporate city limits; except that
2. A maximum of two (2) Directors may be a resident within the City of Bastrop’s extended extraterritorial jurisdiction (ETJ).

(e) Each Director shall be capable of obtaining appropriate bonding in compliance with Article V.

Section 3. Resignations.

(a) Director resignations shall be made in writing and shall take effect immediately upon receipt by the chair or the Executive Director. The acceptance of a resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

(b) Any Director who files for elected office other than that of Mayor or City Council shall automatically resign from the Board, with the exception of elected officials then serving on the Board and seeking reelection to the same office. Such automatic resignation shall take effect upon the Director filing an application for candidacy.

Section 4. Meetings of Directors.

(a) The Board shall annually set regular meeting dates and times in the corporate city limits as the Board may determine; provided, however, in the absence of any such determination by the Board or in the event of a conflict, the Board chair shall select a reasonable date and time to hold the meeting.

(b) The Board shall hold regular meetings at Bastrop City Hall. In the event that City Hall is not available, the Board chair shall select a suitable location.
(c) The annual meeting of the Board shall be held at a date and time determined by the chair.

(d) The chair in consultation with the vice-chair and Executive Director may call a special meeting of the Board.

(e) Directors shall be expected to regularly attend all Board meetings. Special consideration can be granted for absences for good cause. The Council shall be advised of and may remove any Director who is absent from three (3) consecutive regular or special meetings, or 66% of total meetings.

(f) Any Director may request an item be placed on the agenda by delivering the same in writing to the Executive Director no later than ten (10) days prior to the date of the Board meeting.

Section 5. Open Meetings Act.

All meetings and deliberations of the Board shall be called, convened, held and conducted, in accordance with the requirements of the Texas Open Meetings Act.

Section 6. Quorum.

A majority of the Directors shall constitute a quorum for the conduct of official business of the Corporation. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law, or is otherwise required within these Bylaws. A Director may not vote by proxy.

Section 7. Conduct of Business.

(a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with the rules of procedure as from time to time may be prescribed by the Board by resolution.

(b) At all meetings of the Board, the chair shall preside and, in the absence of the chair, in the order of availability, the vice-chair, the treasurer or the secretary shall exercise the powers of the chair.

Section 8. Committees of the Board.

The Board may constitute from time to time committees of the Board that are deemed necessary or appropriate. No such committee shall have independent authority to act for or in the stead of the Board.

Section 9. Compensation of Directors.

Directors shall not receive any salary or compensation for their service as Directors. However, they may be reimbursed for their actual reasonable expenses incurred in the performance of their
duties hereunder. The policy regulating payment of reasonable actual expenses incurred in performance of official duty shall be determined by the Board.

Section 10. Conflicts of Interest.

The Directors are subject to the City’s Code of Ethics, set forth in the City’s Code of Ordinances, Article 1.15, et seq., and shall conform thereto for purposes of addressing potential and/or actual conflicts of interest.

Section 11. Gifts.

The Board may accept on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation. Directors may not receive personal gifts valued above $50.

ARTICLE III
OFFICERS

Section 1. Titles and Term of Office.

(a) The officers of the Corporation shall be a Chair, Vice-Chair, Secretary, and Treasurer. Any two (2) offices may be held by the same person, except the office of Chair of the Board. Terms of office shall be one (1) year with the right of an officer to be reelected.

(b) All officers shall be subject to removal from office at any time by a vote of the majority of the Board.

(c) A vacancy in the office of any officer shall be filled by a vote of the majority of the Board.

(d) Neither the office of chair or vice-chair may be held by a member of the City Council.

Section 2. Powers and Duties of the Chair.

The chair of the Board shall:

(a) Preside over all meetings of the Board.

(b) Have the right to vote on all matters coming before the Board.

(c) Have the authority to, upon seventy-two (72) hour notice to the Directors, call a special meeting of the Board, when in his or her judgment such meeting is required.

(d) Have the authority to appoint ad hoc committees of the Board, which may address issues of a temporary nature of concern or which have a temporary effect on the business of the Board.
(e) Have the authority to appoint advisory committees to the Board to further the overall development plan of the Board.

(f) Shall sign with the co-signature of the secretary, any document which the Board has approved, unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these By-laws, or by statute.

(g) In general, the Chair of the Board shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 3. Vice-Chair.

In the absence of the chair, or in the event of his or her inability to act, the vice-chair shall perform the duties of the chair. When so acting, the vice-chair shall have all power of and be subject to all the same restrictions as those incumbent upon the chair. The vice-chair shall also perform other duties as from time to time may be assigned to him or her by the chair.

Section 4. Secretary.

The secretary shall keep the minutes of all proceedings of the Board and make a proper record of the same, which shall be attested by the secretary. The secretary shall keep such books as may be required by the Board and shall perform such other duties as may be required by the Board. The secretary shall cause notices to be posted of all Board meetings in accordance with the Texas Open Meetings Act.

Section 5. Treasurer.

The treasurer shall, in general, perform all the duties incident to that office and such other duties as from time to time may be assigned to him or her by the chair of the Board or the Board in general. The treasurer shall receive and give receipt for money due and payable to the Corporation and shall deposit such monies received by the Corporation, in accordance with Article IV of these Bylaws, if such monies are not directly deposited in the Corporation’s accounts.

Section 6. Assistant Secretaries and Assistant Treasurers.

The Board may appoint assistant secretaries and assistant treasurers as it may consider desirable, who shall in general perform such duties as may be assigned to them by the Secretary or the Treasurer, or by the Chair of the Board. The assistant secretaries and assistant treasurers need not necessarily be Directors.

Section 7. Executive Director.

(a) The Board shall employ an Executive Director, who shall be the Chief Executive Officer of the Corporation and who shall serve at the will and pleasure of the Board.
(b) The Executive Director shall have responsibility for all day-to-day activities of the Corporation, and shall be responsible for all applicable administrative requirements of its Articles of Incorporation, these Bylaws, and the Act, as amended.

(c) The Executive Director may have a staff to assist in the carrying out of his responsibilities.

(d) The Board shall develop a job description for the Executive Director position, a performance review schedule and criteria for review, and shall review the performance of the Executive Director based upon the schedule and criteria.

(e) The Executive Director and staff shall be required to follow all other current Personnel Policies of the City of Bastrop, and for such purposes, the Executive Director shall be under the same provisions as those for the City Manager.

ARTICLE IV
FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. Program of Work.

(a) It shall be the duty and obligation of the Board to develop, prepare, finance, and implement a Program of Work with the objective and for the purpose of developing and diversifying the economic, recreational, educational and cultural aspects of the City.

(b) The Board shall periodically submit reports to the City Council as to the status of its activities in carrying out the Program of Work.

Section 2. Annual Corporate Budget.

The Board shall cause to be prepared, and shall submit to the City Council of the City, a budget for the forthcoming fiscal year, and in accordance with the annual budget preparation schedule set forth by the City Manager. The budget shall be submitted to the City Manager for inclusion in the annual budget presentation to the City Council. The budget proposed for adoption shall include the projected operating expenses, and such other budgetary information as shall be useful to or appropriate for the Board and the City Council. No budget amendments shall become effective without City Council approval. No expenditures of funds shall be made unless such expenditure is provided for by the City Council approved budget of the Corporation.

Section 3. Contracts for Service.

(a) The Corporation may contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties.

(b) No such contract shall ever be approved or entered into which seeks or attempts to divest the Board of its discretion and policy-making functions.

(a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

(b) The Corporation shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent auditing and accounting firm approved by the Corporation. Such audit shall be at the expense of the Corporation.

(c) All books, records, accounts, and financial statements shall be kept and administered in accordance with the Texas Public Information Act, Chapter 552, Texas Government Code.

Section 5. Deposit and Investment of Corporate Funds.

(a) All funds of the Corporation shall be deposited on a regular basis, consistent with generally accepted accounting practices, in a local bank that is a depository of the City, which shall be federally insured and shall be selected following procedures and requirements for selecting a depository as set forth in Chapter 105 of the Local Government Code. All deposits shall be properly accounted for as deposits of the Corporation.

(b) Temporary and idle funds, which are not needed for immediate obligations of the Corporation, shall be maintained on deposit in the Corporation's depository, or may be invested in any other legal manner in compliance with the Internal Financial Control Policies of the Corporation and City Investment Policy.

(c) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance.

Section 6. Expenditures of Corporate Money.

The monies of the Corporation, including sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitations:

(a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to and approved by the City Council prior to the execution of loan or financing agreements or the sale and delivery of the Obligations, to the purchasers thereof required by Section 7 of this Article;

(b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations, may be
used for the purposes of financing or otherwise providing one or more “Projects”, as defined in the Act. The specific expenditures shall be described in a resolution or order of the Board, and shall be made only after the approval thereof by the City Council;

(c) All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be handled in compliance with the finance and payment policies, and applicable Codes, of the City of Bastrop, Texas, as amended from time to time.

Section 7. Issuance of Obligations.

Any debt issuance issued by the Corporation shall be in accordance with the statute governing this corporation, but in any event, no debt issuance shall be issued without approval of the City Council, after review and comment by the City's bond counsel and financial advisor.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 1. Principal Office.

(a) The principal office of the Corporation shall be located at such place as determined by the Board.

(b) The Corporation shall have and shall continually designate a registered agent at its Registered Office, as required by the Act.

Section 2. Fiscal Year.

The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 3. Surety Bonds.

The chair, vice-chair, and treasurer of the Board shall give an official bond in the sum of not less than One Hundred Thousand and no/100 Dollars ($100,000). The bonds referred to in this section shall be considered for the faithful accounting of all monies and things of value coming into the hands of such officers. The bonds shall be procured from some regularly accredited surety company authorized to do business in the State. The premiums thereafter shall be paid by the Corporation. A copy of each officer’s bond shall be filed with the Secretary of State.

Section 4. Indemnification of Directors, Officers, and Employees.

(a) The Directors shall authorize the Corporation to pay or reimburse any current or former director or officer of the Corporation for any costs, expenses, fines, settlements, judgments, and other amounts, actually and reasonably incurred by such person in any action, suit, or proceeding to which he or she is made a party by reason of holding such position as officer or director; provided, however, that such officer or director shall not receive such
indemnification if he be finally adjudicated in such instance to be liable for gross negligence or intentional misconduct in office. The indemnification herein provided shall also extend to good faith expenditures incurred in anticipation of, or preparation for, threatened or proposed litigation. The Board may, in proper cases, extend the indemnification to cover the good faith settlement of any such action, suit, or proceedings, whether formally instituted or not.

Section 5. Legal Construction.

These Bylaws shall be construed in accordance with the laws of the State of Texas.

Section 6. Severability.

If any provision or section of these Bylaws is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

ARTICLE VI
EFFECTIVE DATE AND APPROVAL

Section 1. Effective Date.

These Bylaws shall become effective upon the occurrence of the following events:

(1) the adoption of these Bylaws by the Board, and

(2) the approval of the Bylaws by the City Council.

Section 2.

These Ninth Amended Bylaws of the Bastrop Economic Development Corporation were approved and adopted at a meeting of the Board of the Bastrop Economic Development Corporation, held on February 27, 2017.

[SIGNATURE PAGE FOLLOWS]
Approved and adopted at a meeting of the City Council held on February 14, 2017.

Ken Kesselus, Mayor of Bastrop, Texas

Attest:

Ann Franklin, City Secretary