

**BYLAWS**  
**OF THE**  
**MARBLE FALLS ECONOMIC DEVELOPMENT CORPORATION**

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**ARTICLE I**

**Offices**

**SECTION 1.01.** The principal office of the Marble Falls Economic Development Corporation (the "Corporation") shall be at the then existing City Hall of the City of Marble Falls, Texas (the "City").

**ARTICLE II**

**Board of Directors**

**SECTION 2.01.** The affairs of the Corporation shall be managed by a board of directors (the "Board") which shall be composed in its entirety of persons appointed by, and whose terms of office shall be fixed by, the governing body of the City.

**SECTION 2.02.** Vacancies in the Board shall be filled for the unexpired term by the appointment of successor directors by the governing body of the City.

**SECTION 2.03.** The property and business of the Corporation shall be managed by the Board which may exercise all powers of the Corporation and do all lawful acts as permitted by the Development Corporation Act of 1979 (the "Act").

**SECTION 2.04.** The annual meeting of the Board shall be held at the principal office of the Corporation on such day in June of each year as is designated by the Board, or at such time and place as shall be fixed by the consent in writing of all of the directors. All other meetings may be held at the place selected by the Board within the boundaries of the City.

**SECTION 2.05.** Regular meetings, other than the annual meeting, may be held at such time as shall from time to time be determined by resolution of the Board.

**SECTION 2.06.** Special meetings of the Board may be called by the President and shall be called by the President or Secretary on the written request of two directors. Emergency meetings shall be called by the President on two hours notice, but only upon compliance with the public notice requirements as provided in Section 3.01 below.

**SECTION 2.07.** At all meetings of the Board the presence of a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act

of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by these Bylaws.

**SECTION 2.08.** Directors, as such, shall receive no compensation for services rendered as directors, but shall be reimbursed for all actual expenses incurred in performing their duties as directors in accordance with written policies as may be adopted by the Board of Directors.

### **Committees of the Board**

**SECTION 2.09.** The Board may, by resolution or resolutions adopted by the Board, establish one or more committees, each committee to consist of two or more of the directors of the Corporation. Such committee or committees shall have such name or names, and such powers, as may be determined from time to time by resolution adopted by the Board.

**SECTION 2.10.** The committees shall keep regular minutes of their proceedings and report the same to the Board when required.

### **General Duties of the Board**

**SECTION 2.11.** The Board is hereby required to perform the following duties:

(a) The Board shall develop an overall economic development plan for the City which shall include and set forth intermittent and/or short term goals which the Board deems necessary to accomplish compliance with its overall economic development plan. Such plan shall be approved by the City Council.

The overall economic development plan developed by the Board shall be one that includes the following elements:

- (i) An economic development strategy to permanently bolster the business climate throughout the City.
- (ii) Strategies to fully utilize the assets of the City which enhance economic development.
- (iii) Identification of strategies to coordinate public, private, municipal and academic resources to develop and enhance business opportunities for all citizens of the City. This plan shall include methods to improve communication and cooperation between the above-mentioned entities.
- (iv) Assurance of accountability of all tax monies expended for its implementation of the overall economic development plan.
- (v) Identification of strategies and implementation of those strategies for direct economic development as defined in this section.

- (vi) An annual work plan outlining the activities, tasks, projects and programs to be undertaken by the Board during the upcoming fiscal year. The annual work plan shall be submitted with the annual budget as outlined in Article 7.02 of these Bylaws.
- (vii) To assist the Board in the implementation of the overall economic development plan, the Board may seek out and employ a Business Development Coordinator, subject to City Council approval. The Business Development Coordinator shall be responsible to the Board and shall act as the Board's chief executive officer and shall assist the Board in carrying out the duties of the Board as set forth in this section. The Board shall, in the annual budget, make provisions for the compensation to be paid to the Business Development Coordinator and such compensation so established by the Board shall comprise the salary and benefits paid to the Business Development Coordinator for his services. The Business Development Coordinator may be removed by a vote of not less than four members of the Board.
- (viii) Any other activities or goals designated by City Council by ordinance.

(b) The Board shall review and update its overall economic development plan twice a year to ensure that said plan is up to date with the current economic climate and is capable of meeting Marble Falls' current economic development needs.

(c) The priorities of the Corporation shall be as follows:

- (i) Retention and expansion of existing industries and jobs in the City.
- (ii) Attraction of new industries and jobs to the City.
- (iii) Promotion of economic development in the City.

The Board of Directors may authorize expenditures of funds of the Corporation in a manner that accomplishes each of these priorities in an orderly way.

The Board of Directors shall make a detailed report to the City Council once each year. Such report shall include, but not be limited to, the following:

- (i) A review of all expenditures made by the Board in connection with their activities involving direct economic development as defined in this article, together with a report of all other expenditures made by the Board.

- (ii) A review of the accomplishments of the Board in the area of direct economic development.
- (iii) The policies and strategy followed by the Board in relation to direct economic development, together with any new or proposed changes in said policies and strategy.
- (iv) The activities of the Board for the budget year addressed in said annual report, together with any proposed change in said activity relating to direct economic development.
- (v) A review of the activities of the Board in areas of endeavor other than direct economic development, together with any proposed changes in such activities.
- (vi) The annual required report shall be made to the City Council no later than August 1 of each year.
- (vii) The annual report shall be considered by the City Council for its review and acceptance.

### **Board's Relationship with City Council**

**SECTION 2.12.** In accordance with Texas law, the City Council shall require that the Corporation be responsible to it for the proper discharge of its duties. All policies for program administration shall be submitted for Council approval, and the Board shall administer said programs accordingly. The Board shall determine its policies and direction within the limitations of the duties imposed by applicable laws, the Articles of Incorporation, these Bylaws, contracts entered into with the City, and budget and fiduciary responsibilities.

### **Board's Relationship with Administrative Departments of the City**

**SECTION 2.13.** Any request for services made to the administrative departments of the City shall be made by the Board or its designee in writing to the City Manager. The City Manager may approve such request for assistance from the Board when such requested services are available within the administrative departments of the City and that the Board has agreed to reimburse the administrative department's budget for the costs of such services so provided.

Any requests for legal assistance may be made by the Board or its designee to the City Attorney. The City Attorney may provide such assistance when such services are available. When such services are unavailable, the Board may obtain other counsel.

## ARTICLE III

### Notices

**SECTION 3.01.** The Board, all actions of the Board, all meetings of the Board, whether annual, regular, special, or emergency, and all meetings of committees of the Board shall be subject to the public notice requirements of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as required by Section 11(b) of the Development Corporation Act of 1979, as amended, Vernon's Ann. Civ. Stat.

**SECTION 3.02.** Whenever under the provisions of any statute or these Bylaws, notice is required to be given to any director, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director at such address as appears on the books of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

**SECTION 3.03.** Whenever any notice is required to be given to a director under the provisions of any statute or of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

## ARTICLE IV

### Officers; Business Development Coordinator

**SECTION 4.01.** The officers of the Corporation shall be chosen by the Board. The Board shall choose from its members a President and a Vice President. The Board shall also choose a Secretary and a Treasurer who may or may not be members of the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**SECTION 4.02.** The Board shall choose such officers at its first meeting and at each annual meeting thereafter.

**SECTION 4.03.** The officers of the Corporation chosen pursuant to Section 4.02 shall serve until the next annual meeting of the Board thereafter or until their successors are chosen and qualify in their stead.

**SECTION 4.04.** The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

**SECTION 4.05.** Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board.

## **The President**

**SECTION 4.06.** The President shall preside at all meetings of the directors.

**SECTION 4.07.** The President shall be ex officio a member of all standing committees and shall see that all orders and resolutions of the Board are carried into effect.

**SECTION 4.08.** The President shall execute bonds, mortgages and other contracts, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation.

## **Vice President**

**SECTION 4.09.** The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board shall prescribe.

## **The Secretary**

**SECTION 4.10.** The Secretary shall attend all sessions of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all special meetings of the Board and shall perform such other duties as may be prescribed by the Board or the President. The Secretary shall keep in safe custody the seal of the Corporation and, when authorized by the Board, affix the same to any instrument requiring it, and, when so affixed, it shall be attested by the Secretary's signature. When the corporate seal is required as to instruments executed in the course of ordinary business, the Secretary shall attest to the signature of the President or Vice President and shall affix the seal thereto. The Board may appoint one or more persons to serve as an Assistant Secretary, which person may, but need not be, a director. The Assistant Secretary may perform any duty granted to the Secretary in these Bylaws and/or in any resolution or order approved by the Board.

## **The Treasurer**

**SECTION 4.11.** To the extent not otherwise provided by the Board, by rules or regulations, in resolutions relating to the issuance of bonds, or in any financing documents relating to such issuance, the Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in a depository as shall be designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions performed as Treasurer and of the financial condition of the Corporation. The Board may appoint one or more persons to serve as an Assistant Treasurer, which person may, but need not

be, a director. The Assistant Treasurer may perform any duty granted to the Treasurer in these Bylaws and/or in any resolution or order approved by the Board.

**SECTION 4.12.** The Board may require the President, Vice President, the Secretary, any Assistant Secretary, the Treasurer, and any Assistant Treasurer to give the Corporation bonds in such sums and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of their office and for the restoration to the Corporation, in case of such person's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the Corporation. The costs of any such bonds shall be an expense payable by the Corporation.

**SECTION 4.13.** The provisions of the Texas Uniform Facsimile Signature of Public Officials Act shall be applicable to the Corporation, which is a duly constituted instrumentality of the City, a political subdivision of the State of Texas.

### **Business Development Coordinator**

**SECTION 4.14.** The Corporation may employ, with approval of the City Council, a Business Development Coordinator. The Business Development Coordinator shall serve as the chief executive officer of the Corporation. The Business Development Coordinator shall develop policies and procedures for the Corporation, including financial, accounting, and purchasing policies and procedures to be approved by the Board and City Council. The Business Development Coordinator may employ such personnel as may be necessary to discharge the Corporation's assigned duties. The compensation for all such employees shall be set by the Board in its annual budget and such compensation so established by the Board shall comprise the salary and benefits for such employees, and provided further, no such employee shall be hired until such time as the board has established such compensation for the position in question.

**SECTION 4.15.** In absence of a Business Development Coordinator, the Board may employ such full- or part-time employees as needed to carry out the programs of the Corporation.

### **Contracts for Service**

**SECTION 4.16.** The Corporation may, with approval of the City Council, contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid to assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the Board of Directors of its discretion and policy-making functions in discharging the duties herein above set forth in this section.

## **ARTICLE V**

### **Indemnification**

**SECTION 5.01.** The indemnification and liability insurance provisions of Chapter 8 of the Texas Business Organizations Code (as same may be hereafter amended) (the "BOC") are incorporated into these Bylaws by this reference.

**SECTION 5.02.** The directors, officers and other representatives of the Corporation shall be entitled to the benefit of (i) the mandatory indemnification provisions of Chapter 8 of the BOC, and (ii) the permissive indemnification provisions of Chapter 8 of the BOC to the extent approved by the Board and the governing body of the City (subject, however, to the procedures and requirements set forth in Chapter 8 of the BOC).

**SECTION 5.03.** The Corporation agrees to indemnify and hold harmless and defend the City, its officers, agents, and its employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs and attorneys' fees and other reasonable costs arising out of or resulting from Corporation's activities and from any liability arising out of or resulting from Corporation's activities and from any liability arising out of or resulting from the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part upon the negligent or intentional acts of omissions of Corporation, including but not limited to its officers, agents, employees, licensees, invitees, and other persons.

Corporation further agrees that it shall at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, licensees, invitees, and other persons, as well as their property, while in the vicinity where activities are being performed. It is expressly understood and agreed that the City of Marble Falls shall not be liable or responsible for the negligence of Corporation including but not limited to its officers, agents, employees, licensees, invitees, and other persons.

## **ARTICLE VI**

### **Fiscal Provisions**

**SECTION 6.01.** No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation, or association, except that in the event the board of directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds, and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the City. No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.



**SECTION 6.02.** The Board shall have prepared for each annual meeting a full and clear statement of the business and condition of the Corporation.

### **Checks and Accounting Records**

**SECTION 6.03.** All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board may from time to time designate, provided that in no event shall a check be negotiable until it is signed by at least one officer. All accounting records shall conform to the accounting records system of the City of Marble Falls.

### **Fiscal Year**

**SECTION 6.04.** The fiscal year shall commence on each October 1 and end on the following September 30.

## **ARTICLE VII**

### **Record Keeping and Auditing Procedures**

**SECTION 7.01.** The Corporation shall keep correct and complete books and records of all actions of the Corporation, including books and records of account and the minutes of meetings of the Board of Directors. All books and records of the Corporation may be inspected by the Directors of the Corporation or their agent or attorney at any reasonable time; and any information which may be designated as public information by law shall be open to the public for inspection at any reasonable time. The Texas Public Information Act and Open Meetings Act shall apply to disclosure of public information. The Board of Directors shall provide for an annual financial audit to be performed by a competent independent audit firm. The Corporation may contract with the auditing firm retained by the City of Marble Falls to perform the audit required by this section.

**SECTION 7.02.** Not later than February 1 of each year, the Board of Directors shall submit to the Comptroller of Public Accounts a report in the form required by the Comptroller and in compliance with the Texas Development Act of 1979, as amended.

## **ARTICLE VIII**

### **Seal**

**SECTION 8.01.** The Corporation may adopt a seal in such form as approved by the Board. Such seal may be used by causing it (or a facsimile thereof) to be impressed or affixed or reproduced on documents to which the Corporation is a party; provided however, that no document executed or entered into by the Corporation shall require such seal to be affixed thereto or impressed thereon in order to be effective and binding on the Corporation.

ARTICLE IX

Amendments

**SECTION 9.01.** These Bylaws may be altered, changed, or amended at any meeting of the Board at which a quorum is present by the affirmative vote of a majority of the directors at such meeting and present thereat and provided further that any such alteration, change or amendment shall not become effective until approved by the governing body of the City.

APPROVED this the 13th day of August, 2007 by the City Council of the City of Marble Falls, Texas.

ADOPTED AND APPROVED this the 5<sup>th</sup> day of September, 2007.



*Rona Jay*  
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President

Marble Falls Economic Development Corporation

ATTEST:

*Mih Pillep*  
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Secretary  
Marble Falls Economic Development Corporation