

RESOLUTION NO. _____

RESOLUTION RATIFYING BYLAWS OF THE HEARNE INFRASTRUCTURE/IMPROVEMENT CORPORATION, ALSO KNOWN AS THE HEARNE 4B DEVELOPMENT CORPORATION

WHEREAS, in January of 1997, the eligible voters of the City of Hearne, Texas, approved a ballot proposition authorizing a sales tax and creation of a non-profit corporation, governed by Section 4B of the Development Corporation Act of 1979, as amended, and now known as the Type B sales tax and corporation, currently authorized pursuant to Chapter 501 and 505 of the Texas Local Government Code; and

WHEREAS, the Hearne Infrastructure/Improvement Corporation was duly incorporated and the Bylaws approved in conjunction with the original Articles of Incorporation; and

WHEREAS, such Bylaws were amended in August 2003; and

WHEREAS, the Hearne Infrastructure/Improvement Corporation has been operating under such bylaws since that time; and

WHEREAS, a signed copy of the 2003 Amended Bylaws cannot be found; and

WHEREAS, the Board of Directors of the Hearne 4B Development Corporation has recommended ratification of said Bylaws in order to be able to appropriately continue operations until such time as said bylaws can be formally reviewed and amended if necessary.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEARNE, TEXAS:

Section 1. That the bylaws attached hereto as Exhibit A, and submitted to this City Council by the Board of Directors of the Hearne Infrastructure/Improvement Corporation a/k/a the Hearne 4B Development Corporation, are hereby ratified by the City Council of the City of Hearne, Texas.

Section 2. This Resolution is effective immediately upon passage and repeals any prior resolutions, policies or practices inconsistent or in conflict with this Resolution, subject to the approval and passage of same by the City Council of the City of Hearne.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with the Resolution are repealed insofar as they conflict.

RESOLVED this the _____ day of _____, 2017

City of Hearne, Texas

By: _____
Mayor, Ruben Gomez

Attest:

Linda Pecina, City Secretary



CITY OF HEARNE
210 Cedar ♦ Hearne, Texas 77859
(979) 279-3461 ♦ Fax: (979) 279-2431
www.cityofhearne.com



Hearne Infrastructure/Improvement Corporation
A Non-Profit Organization
Bylaws

Amended August 2003

These bylaws govern the affairs of the City of Hearne Infrastructure/Improvement Corporation, a non-profit corporation (hereinafter referred to as the "Corporation") created under Section 4B of the Development Corporation Act of 1979, Article 5190.6 of the Revised Civil Statutes of Texas (hereinafter referred to as the "Act").

Section I
Offices

1.01 Registered Office and Registered Agent

The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Act. The Board of Directors may, from time to time, change the registered agent and/or the address of the registered office, provided that proper notification of such change is given to the Office of the Secretary of the State of Texas.

The registered office of the Corporation is located at 209 Cedar Street, Hearne, Texas 77859, and the name of the initial registered agent at that address is Dorothy Cooper, City Secretary.

1.02 Principal Office

The principal office of the Corporation in the State of Texas shall be located in the City of Hearne, County of Robertson, and it may be, but need not be identical with the registered office of the Corporation.

Section II
Purpose

2.01 Purposes

The Corporation is a non-profit corporation specifically governed by Section 4B of the Texas Development Corporation Act of 1979, Tex. Rev. Civ. Ann. Art. 5190.6, as amended. The Corporation is organized exclusively for the purpose of benefiting and

accomplishing public purposes of the City of Hearne, Texas, by promoting, assisting, and enhancing economic development activities, as provided by the Act; and restricted to street and drainage projects; land, buildings, and equipment for library/learning centers, parks/golf course, public safety, municipal buildings, convention center, and other related facilities, including the maintenance and operating costs of any such projects mentioned above.

The Corporation shall have no power to take any action that would be inconsistent with the requirements for the exemption from federal tax as a non-profit corporation under Section 501 (c) 3) of the Internal Revenue Code or such other applicable section. Notwithstanding the right of the Board of Directors to exercise any of their franchise, first amendment, or civil rights as individuals, the Corporation shall not attempt to influence legislation or participate in any political campaign on behalf of or in opposition to any candidate for public office or ballot issue.

Section III Board of Directors

3.01 Board of Directors

The business and affairs of the Corporation and all corporate powers shall be exercised by or under authority of the Board of Directors (the "Board") appointed by the City Council of the City of Hearne, ("the City") and subject to applicable limitations imposed by the Texas Non-Profit Corporation Act, the Development Corporation Act of 1979, the Articles of Incorporation, or these Bylaws. The board may, by contract, resolution, or otherwise, give general or limited or special power and authority to the officers and employees of the Corporation to transact the general business or any special business of the Corporation, and may give powers of attorney to agents of the Corporation to transact any special business requiring such authorization.

3.02 General Duties of the Board

The Board is hereby required to perform the following duties:

1. The Board shall recommend expenditures to City Council, in accordance with State law, the Articles of Incorporation and these Bylaws, of the tax funds received by it on certain projects as defined by the Act.
2. The Corporation may, with approval of the City Council, contract with other entities for professional and or administrative services. The Board may plan and direct its work through these contractual entities, who may be charged with the responsibility of carrying out the Corporation's plans, programs, and projects as adopted by the Board.
3. The Hearne Infrastructure/Improvement Corporation shall make reports to the City Council of the City of Hearne. The Hearne Infrastructure/Improvement

Corporation shall discharge this requirement by reporting to the City Council in the following manner:

The Hearne Infrastructure/Improvement Corporation shall make a detailed report to the City Council once each year, no later than sixty (60) days after the end of the fiscal year. Such report shall include, but shall not be limited to, the following:

- a. A review of all expenditures made by the Corporation in connection with its activities involving direct improvements as defined in this article, together with a report of all other expenditures made by the Corporation.
- b. A review of the accomplishments of the Corporation in the area of direct Infrastructure/Improvement.
- c. The policies and strategy followed by the Corporation in relation to direct Infrastructure/Improvement together with any new or proposed changes in said policies and strategy.
- d. A review of the activities of the Corporation for the budget year addressed in an annual report, together with any proposed change in an activity or activities related to direct Infrastructure/Improvement.
- e. A review of the activities of the Corporation in areas of endeavor other than direct Infrastructure/Improvement together with any proposed changes in such activities.

3.03 Duties of Directors

Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of this corporation, directors shall act in good faith and take actions they reasonably believe to be in the best interest of the corporation and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Corporation's best interest or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Corporation.

3.04 Vacancies

Any vacancy occurring shall be filled by appointment by the City Council to serve the remainder of an un-expired term.

3.05 Meetings

The Board of Directors shall meet at least four (4) times annually at a place and time to be determined by the Board. The Board shall provide notice of all meetings as provided in the Texas Open Meetings Act, the Texas Public Information Act, or other applicable law. Any member of the Board may request that an item be placed on the agenda by delivering the same in writing to the Secretary of the Board no later than fourteen (14) days prior to the date of the meeting. All meetings shall be held within the City of Hearne.

The Annual meeting of the Board of Directors shall be held in October of each year.

3.06 Special Meetings

Special meetings of the Board of Directors may be called by the President on three days notice to each director, in person, by mail, or telephone, or upon written request of two (2) directors. Any notice of a special meeting shall include the purpose of the meeting and the business to be addressed. Should a request for a special meeting be submitted to the President or Secretary by two (2) directors, the President shall determine and notify all directors of the date, time, and place of the special meeting to be held within fourteen (14) days of the receipt of the director's request.

3.07 Attendance

Regular attendance at Board meetings is required of all members. The following number of absences shall constitute the need for replacement of a member: three (3) consecutive absences, or attendance reflecting absences for 50% of the meetings over a 12-month period. In the event replacement is indicated, the President shall submit in writing to the City Secretary the need to replace the Board member in question.

3.08 Quorum

A majority of Directors then serving on the Board shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The presence of a Director may not be established by proxy. No business shall be conducted, nor shall any action be taken by the Board of Directors, without a quorum being present at the time of such proposed business or action. If there is an insufficient number of Directors present to convene the meeting, the directors' present thereat may delay the meeting for a reasonable period of time, without notice other than announced at the meeting, until a quorum shall be present.

3.09 Compensation

THE DULY APPOINTED MEMBERS OF THE BOARD SHALL NOT RECEIVE A SALARY OR COMPENSATION, but shall be reimbursed for actual or commensurate cost of travel, lodging, and incidental expense while on official business

of the Corporation in accordance with the adopted Corporation budget, as approved by the City Council as part of the annual City Budget.

3.10 Voting: Action of the Board of Directors

Directors must be present in order to vote at any meeting. Unless otherwise provided in these Bylaws or in the Article of Incorporation or as required by law, the act of a majority of the Directors present at any meeting for which a quorum is present shall be the act of the Board of Directors. In the event that a Director is aware of a conflict of interest or potential conflict of interest, which regard to any particular vote, the Director shall bring the same to the attention of the meeting and shall abstain from discussion of the matter and the vote.

3.11 Board's Relationship with City Council

In accordance with State law, the City Council shall require that the Hearne Infrastructure/Improvement Corporation be responsible to it for the proper discharge of its duties assigned in the Articles of Incorporation. The Board shall determine its policies and direction within the limitations of the duties herein imposed by applicable laws, the Articles of Incorporation, these Bylaws, contracts entered into with the City and budget and fiduciary responsibilities.

3.12 Board's Relationship with Administrative Departments of the City

Under the direction of the City Manager under the Charter of the City, the Corporation may utilize the services of the City Attorney, the City Secretary, Chief of Administrative Services, the Public Works Director, and the City Finance Officer, provided their performance of such services does not materially interfere with other duties of such personnel of the City.

Section IV Officers

4.01 Officers of the Corporation

The officers of the Corporation shall be elected from and by the Board of Directors. The officers shall be President, Vice President, Secretary, and Treasurer.

4.02 Election of Officers

The initial President and Vice President shall be elected by the Board and shall serve a term of one (1) year. On the expiration of the term of office of the original President and Vice President, the Board shall select from among its member's individuals to hold such office. The term of the President and Vice President shall always be for a period of one year; provided, however, that the President and Vice President continue to serve until the election of their successors, and they may succeed themselves in office.