

# BYLAWS OF SOUTHLAKE PARKS DEVELOPMENT CORPORATION

## ARTICLE I

### PURPOSE AND POWERS

**Section 1.1 Purpose.** The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Southlake, Texas (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, Article 5190.6 Vernon's Texas Civil Statutes, (the "Act"), and other applicable laws.

**Section 1.2 Powers.** In the fulfillment of its corporate purpose, the Corporation shall be governed by Section 4B of the Act, and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

## ARTICLE II

### BOARD OF DIRECTORS

#### **Section 2.1 Powers, Number and Term of Office.**

(a) The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the "Board") under the guidance and direction of the Southlake City Council and, subject to the restrictions imposed by law, by the Articles of Incorporation, 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 the City Council (the "City Council") of the City. Each director shall occupy a place (individually, "Place" and collectively, the "Places") as designated herein. Places 1-4 are designated for Councilmember directors and Places 5-7 are designated for the Park Board member director, and two citizen directors. These appointments will be classified as citizen member directors.

(c) The directors constituting the first Board shall be those directors named in the Articles of Incorporation. Successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.

(d) Any director may be removed from office by the City Council at will.

**Section 2.2 Meetings of Directors.** The directors may hold their meetings at such place or places in the City as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Section 5.1 of these Bylaws.

**Section 2.3 Open Meetings Act.** All meetings and deliberations of the Board shall be called, convened, held, and conducted, and notice shall be given to the public, in accordance with the Texas Open Meeting Act. Article 6252-17, Vernon's Ann. Civ. St., as amended.

**Section 2.4 Quorum.** A majority of the entire membership of the Board shall constitute a quorum to conduct 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.

**Section 2.5 Conduct of Business.**

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

(b) At all meetings of the Board, the president shall preside. In the absence of the president, the vice president shall preside.

(c) The president shall be a voting member of the Board.

(d) The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting. Any assistant secretary may, at the option of the Board, be employees of the City.

**Section 2.6 Committees of the Board.** The Board may designate two (2) or more directors to constitute an official committee of the Board to exercise such authority, as approved by resolution of the Board. It is provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

**Section 2.7 Compensation of Directors.** Directors shall not receive any salary or compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their official duties as directors.

**ARTICLE III**

**OFFICERS**

**Section 3.1 Titles and Terms of Office.**

(a) The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board may from time to time elect or appoint. Initial officers, appointed or elected in January 1994, will serve through May 31, 1995. Thereafter, terms of office shall be one (1) year with the term of office expiring on May 31 of each year. Upon the expiration of the terms each officer shall have the right to be reappointed or reelected.

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

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

**Section 3.2 Powers and Duties of the President.** The president shall be the chief operating executive officer of the Corporation, and subject to the authority of the Board, the president shall be in general charge of the properties and affairs of the Corporation, and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the Corporation. The President shall preside over the meetings of the Corporation.

**Section 3.3 Vice President.** The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act, in their respective order. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

**Section 3.4 Treasurer.** The Treasurer shall be the Chief Fiscal Officer of the Corporation, and shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes, and other obligations in or drawn upon such bank, banks or depositories as shall be designated by the Board consistent with these bylaws. The treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his/her duties in such form and amount as the Board or the City Council may require. The Director of Finance of the City of Southlake shall serve as the Treasurer of the Corporation. All check writing authority will follow all applicable City policies concerning authorizations, signatures and disbursements.

**Section 3.5 Secretary.** The secretary shall keep the minutes of all meetings of the Board and books provided for that purpose, shall give and serve all notices, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

**Section 3.6 Executive Director.** The City Manager of the City of Southlake will serve as the Executive Director of the Corporation to provide administrative support services for the corporation, and perform duties as prescribed by Board and City Council.

**Section 3.7** The president, vice president, and the secretary shall be named from among the members of the Board. The treasurer shall be the Director of Finance for the

City. Any assistant secretary may, at the option of the Board, be employees of the City. The legal counsel shall be the attorney for the City and he/she shall designate any other attorney needed by the Corporation.

**Section 3.8 Compensation.** Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for the actual expenses incurred in the performance of their official duties as officers.

## ARTICLE IV

### FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

#### **Section 4.1 Southlake Parks Development Corporation Plan.**

(a) It shall be the duty and obligation of the Board to finance and implement the Southlake Parks Development Corporation Plan subject to approval or disapproval by City Council.

(b) In carrying out its obligations under subsection (a), the Corporation shall be authorized to exercise all rights and powers granted under the act, including, but not limited to Section 4B.

(c) The Board shall periodically submit reports to the City Council as to the status of its activities in carrying out its obligations under this Section.

(d) Any and all agreements between the Corporation and other parties shall be authorized, executed, approved, and delivered in accordance with applicable law.

**Section 4.2 Annual Corporate Budget.** Prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues from sources set out in Section 4.5 of this article and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until the same has been approved by the City Council.

#### **Section 4.3 Books, Records, Audits.**

(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) At the direction of the City Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff and personnel of the City.

(c) The Corporation, or the City if the option of subsection (b) is selected, 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 selected by the City Council and approved by the Board. Such an audit shall be at the expense of the Corporation.

**Section 4.4 Deposit and Investment of Corporation Funds.**

(a) 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.

(b) Subject to the requirements of contracts, loan agreements, indentures or other agreements securing Obligations, all other monies of the corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board, with City Council approval, shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the corporation upon the signature of its treasurer and such other persons as the Board designates. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the Department of Finance of the City.

**Section 4.5 Expenditure of Corporate Money.** The sales and use taxes collected pursuant to Section 4B of the Act and 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:

(i) 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 purpose of financing or otherwise providing one or more "Projects," as defined in Section 4B of the Act;

(ii) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 4.2 or in contracts meeting the requirements of Section 4.1(d) of this Article.

**Section 4.6 Issuance of Obligations.** No Obligations, including refunding Obligations, shall be authorized or sold and delivered by the Corporation unless the City Council approves such Obligations by action taken prior to the date of sale of the obligations.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.1 Principal Office.**

(a) The principal office and the registered office of the Corporation shall be the registered office of the Corporation specified in the Articles of Incorporation.

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

**Section 5.2 Fiscal Year.** The fiscal year of the Corporation shall be the same as the fiscal year of the City.

**Section 5.3 Seal.** The seal of the Corporation shall be determined by the Board.

**Section 5.4 Resignations.** Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the president or secretary. The acceptance of resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

**Section 5.5 Approval or Advice and Consent of the City Council.** To the extent that these bylaws refer to any approval by the City or refer to advice and consent by the Council, such advice and consent shall be evidenced by a certified copy of a resolution, order or motion duly adopted by the City Council.

**Section 5.6 Services of City Staff and Officers.** Subject to the authority of the City Manager under the Charter of the City, the Corporation shall utilize the services and the staff employees of the City. All requests for staff time or inquiries of staff will be requested through the City Manager's Office. The Corporation shall pay reasonable compensation to the City for such services, and the performance of such services shall not materially interfere with the other duties of such personnel of the City.

**Section 5.7 Indemnification of Directors, Officers and Employees.**

(a) As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

(b) The Corporation shall indemnify each and every member of the Board, its Officers and its employees and each member of the City Council and each employee of the City, to the fullest extent permitted by law, against any and all liability or expense, including attorneys fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation. The attorney for the Corporation is authorized to provide a defense for members of the Board, Officers, and employees of the Corporation.

## ARTICLE VI

### EFFECTIVE DATE, AMENDMENTS

**Section 6.1 Effective Date.** These bylaws shall become effective upon the occurrence of the following events:

- (1) the approval of these bylaws by the City Council; and
- (2) the adoption of the bylaws by the Board

**Section 6.2 Amendments to Articles of Incorporation and Bylaws.**      T h e  
Articles of Incorporation of the Corporation and these bylaws may be amended only in the  
manner provided in the Articles of Incorporation and the Act.