

BY LAWS
OF
ODEM DEVELOPMENT CORPORATION

ARTICLE 1

PURPOSE AND POWERS

SECTION 1.1: Purpose. The Corporation is incorporated for the purposes stated in its articles of incorporation.

SECTION 1.2: Powers. The Corporation shall have the powers of a Section 4B development corporation stated in Article 5190.6, V.T.C.S., (The Development Corporation Act of 1979, as amended (the "Act")).

ARTICLE II

BOARD OF DIRECTORS

SECTION 2.1: Number. The board of directors consists of seven (7) directors.

SECTION 2.2: Appointment. Directors shall be appointed by the City Council of the City of Odem.

SECTION 2.3: Terms. Directors shall be appointed for two-year terms of office. The terms of the even numbered directors shall expire on the 1st day of April of even numbered years beginning 2004, and the terms of the odd numbered directors shall expire on the same day of odd numbered years beginning 2005.

SECTION 2.4: Powers. All powers of the corporation shall be vested in its board of directors.

SECTION 2.5: Removal. A director may be removed by the City Council of the City of Odem at any time without cause.

SECTION 2.6: Qualifications. Each director must be a resident of the City of Odem, **municipality or reside within 10 miles of the municipality's boundaries.** Three directors shall be persons who are not employees, officers, or members of the City Council of the City of Odem.

SECTION 2.7: Quorum. A majority of the entire membership of the board is a quorum. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

*Highligh areas were
changed on
5/3/16 per
Council*

SECTION 2.8: Place of Meetings. The board shall conduct all meetings within the boundaries of the City of Odem at such place as the board may determine.

SECTION 2.9: Call of Meetings. The board shall meet at the request of the City Secretary, or at the request of the City Council, or at the written request of at least two (2) directors.

SECTION 2.10: Open Records Act. The board of directors is subject to open records act.

SECTION 2.11: Open Meetings Act. The board of directors is subject to the open meetings act.

SECTION 2.12: Conduct of Meetings. Meetings shall be conducted to conform with Roberts's Rules of Order. The president shall preside at meetings. In the absence of the president the vice presidents in order of election or appointment shall preside. The secretary shall take and keep minutes of the meetings. In the absence of the secretary the presiding officer may appoint anyone present at the meeting to take minutes of the meeting.

SECTION 2.13: Compensation. Directors shall serve without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties.

SECTION 2.14: Vacancies. Vacancies in the board of directors shall be filled by the City Council. If a member of the Board of Director's is absent for three (3) regular consecutive meetings, that member's seat is considered vacant, unless, the member is sick or has first obtained a leave of absent prior to the Regular Meeting.

ARTICLE III

OFFICERS

SECTION 3.1: Number. The officers of the corporation shall consist of a president, one or more vice-presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary by the board of directors.

SECTION 3.2: Election or Appointment. Each of the officers shall be elected or appointed annually by the board from among its members.

SECTION 3.3: Dual Office Holding: One persons may hold more than one office, except the president may not hold the office of secretary.

SECTION 3.4: Removal. An officer may be removed by the board of directors at any time without cause.

SECTION 3.5: Vacancies. Vacancies in offices shall be filled by the board of directors.

SECTION 3.6: President. The president shall be the chief operating executive officer of the corporation, and subject to the authority of the board, 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 documents in the name of the corporation.

SECTION 3.7: Vice-President. The vice presidents (in the order of their election or appointment) shall have such powers and duties as may be prescribed by the board and shall exercise the powers of the president during the president's absence or inability to act.

SECTION 3.8: Secretary. The secretary shall keep the minutes of all meetings of the board, shall give and serve all notices, may attest the signature of the president in the name of the corporation, shall keep and have charge of the corporate books and records (except books of account and financial records), and have such other powers and duties as may be prescribed by the board.

SECTION 3.9: Treasurer shall be the chief fiscal officer of the corporation and shall have responsibility for all funds and securities of the corporation. The treasurer shall keep and have charge of the corporate books of account and financial records, and have such other powers and duties as may be prescribed by the board. The treasurer shall, at the expense of the corporation, give such bond for the faithful discharge of duties of treasurer as the board may require.

SECTION 3.10: Compensation. Officers shall serve without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties.

ARTICLE IV

FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

SECTION 4.1: Duties. It shall be the duty and obligation of the board to act on behalf of the City of Odem as a Section 4B development corporation as prescribed by Section 4B, Article 5190.6 V.T.C.S., (The Development Corporation Act of 1979, as amended).

SECTION 4.2: Reports. The board shall report to the City Council as directed by the City Council.

SECTION 4.3: Budget. Prior to the commencement of each fiscal year of the corporation the board shall adopt a proposed budget of expected revenues and proposed expenditures for the next fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed by the City Council. The budget shall not be effective until it has been approved by the City Council.

SECTION 4.4: Books, records, and 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, activates, and affairs.
- (b) The books, records, accounts, and financial statements of the corporation may be maintained for the corporation by the personnel of the City or by such others as the City Council may direct.
- (c) The corporation shall be audited annually by the city auditor or by such other auditor as the City Council may direct.

SECTION 4.5: Deposits and Investment of Corporate 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 of issuance.
- (b) Subject to the requirements of documents securing the payment of obligations, all other money, if any, of the corporation shall be deposited, secured, and/or invested in the manner directed for the deposit, security, and/or investment of the public funds of the City. The board, with the approval of the City Council, shall purposes, and the methods of withdrawal of funds there from for use by the purposes of the corporation upon the signature of the treasurer or such other person as the board shall direct with approval of the City Council.

SECTION 4.6: Expenditures. Corporate funds shall be expended as required by the Act. Funds, the expenditures of which is not directed by the Act, shall be expended as required by the budget. Funds, the expenditures of which is not directed by the Act or by the budget, shall be expended as the board shall direct with the approval of the City Council.

SECTION 4.7: 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 initial delivery of the Obligations to the initial purchasers.

SECTION 4.8: Requesting Assistance. All participants requesting assistance from the Board of Directors must have a sales tax I.D. number and currently paying sales tax to the City of Odem in order to be considered for any kind of assistance.

SECTION 4.9: Reimbursements. There will be no reimbursements for projects that are done before the approval of the Board of Directors. There has to be at least two (2) proposals presented to the Board of Directors, which the Board of Directors can accept or decline said proposals.

ARTICLE V MISCELLANEOUS

SECTION 5.1: Principal Office. The principal office of the corporation shall be its registered office.

SECTION 5.2: Fiscal Year. The fiscal year of the new corporation shall be the same as the fiscal year of the City.

SECTION 5.3: Seal. The board of directors shall determine whether the corporation shall have a seal. In the absence of its determination the corporation shall have no seal.

SECTION 5.4: Resignation. Any officer or director may resign at any time. Resignations shall be in writing and shall be effective when accepted by the corporation.

SECTION 5.5: Approval of City Council. Approval by the City Council shall be evidenced by be copy of the resolution, order or ordinance adopted by the City Council.

SECTION 5.6: Service of City Staff and Officers. Subject to the authority of the City Council the corporation shall utilize the services and the staff employees of the City. All requests for staff time and inquires of staff shall be requested through the City Secretary. The corporation shall pay reasonable compensation to the City for its services if so approved by the Council.

SECTION 5.7: Effective date. These by-laws shall become effective when adopted by the board of directors and approved by resolution of the City Council.

SECTION 5.8: Amendments to Articles of Incorporation and By-Laws.

- (a) The articles of incorporation of the corporation may be amended as stated in the Act.**
- (b) The by-laws may be amended by the board of directors with the approval of the City Council.**

PASSED, APPROVED AND ADOPTED DECEMBER 9, 2002.

PASSED, APPROVED AND ADOPTED on the amendments as presented to the Mayor and City Council this the 3rd day of May, 2016.

Mayor, Billy Huerta

ATTEST:

City Secretary, Janie Martinez