



MUNICIPAL DEVELOPMENT DISTRICT

**BARTLET MUNICIPAL DEVELOPMENT DISTRICT
CoB MDD BOARD**

**BY-LAWS
REVISED JUNE 13th, 2022**

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ARTICLE I - DEFINITIONS

"Act" means Chapter 377 of the Texas Local Government code, as amended;

"Board" means the Board of Directors of a municipal development district;

"City" means the City of Bartlett Williamson County, Texas;

"Council" means the City of Bartlett City Council; (Boards Governing Body)

"District" means the Bartlett Municipal Development District created under Chapter 377 of the Texas Local Government Code, and includes those portions of the City of Bartlett and the Extra area Territorial Jurisdiction that lie within Williamson County, Texas;

"Development Project" means a "project" as that term is defined by;

Section 377.001(3) Development project means;

(A) a "project as that term is defined by Sections 505.151-505.158; or

(B) a convention center facility or related improvement such as a convention center, civic center, civic center building, civic center hotel, or auditorium, including parking areas or facilities that are used to park vehicles and that are located at or in the vicinity of other convention center facilities.

"Director" means an appointed member of the Board of Directors of the Bartlett Municipal Development District. *(Gender words shall be construed as gender neutral);*

"May" means an option or discretionary authority;

"Mayor" means the elected Mayor of the City of Bartlett;

"Shall", "must", and "will" mean mandatory and non-discretionary action is required;

Other words shall have their common language meanings at the time of passage of these Bylaws.

ARTICLE II - PURPOSES

The Bartlett Municipal Development District is a political subdivision of the State of Texas, and the City of Bartlett, Williamson County, Texas, created in accordance with Chapter 37 of the Texas Local Government Code, as amended and other applicable laws, at an election held on November 5, 2013, at which (14) votes for and (7) votes against, were cast, as reported by the Williamson County, Texas, Elections office, and canvassed by the City of Bartlett City Council on November 13, 2013.

The Bartlett Municipal Development District consists of those portions of the City of Bartlett and its Extra Territorial Jurisdiction that lie within Williamson County, Texas, and which boundaries may be redrawn from time to time.

The Bartlett Municipal Development District (MDD) was created for the purpose of developing and financing all development projects as that term is defined in Texas Local Government Code Sections 377.001(3), as amended.

ARTICLE III-BOARD OF DIRECTORS

Section 1. Board of Directors

The property and affairs of the District shall be managed and controlled by a Board of Directors subject to the restrictions imposed by State Law and these Bylaws.

Section 2. Qualifications

To qualify to serve as a director, a person must reside in the municipality that created the district or in that municipality's extraterritorial jurisdiction. An employee, officer, or member of the governing body of the municipality may serve as a director but may not have a personal interest in a contract executed by the district other than as an employee, officer, or member of the governing body or the municipality. (Texas Local Government Code 377.051(d))

Section 3. Appointment (Texas Local Government Code 377.051)

- (a) A district is governed by a board of at least four (4) directors. The Bartlett MDD board shall consist of five (5) directors.
- (b) The board is appointed by the governing body (City Council) of the municipality that created the district.
- (c) Directors serve staggered two-year (2) terms. A director may be removed by the appointing municipality at any time without cause. Successor directors are appointed in the same manner as the original appointees.
- (d) City Council may appoint a member of city staff and/or city council to serve as a non-voting liaison to facilitate communication between City Council and the MDD Board.

Texas Local Government Code Sec. 377.054-The board shall designate from the members of the board a presiding officer (President), a secretary, and other officers the board considers necessary.

Section 4. Oath of Office

Each person appointed to serve on the Board, shall, before performing any of the duties of a Director, shall make the following oath of office:

"I (say your name), do solemnly swear, that I will faithfully execute the duties of the office of the City of Bartlett Municipal Development District Board member of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States, of this State, of this City, and of this District, so help me God."

Section 5. Compensation

A board member is not entitled to compensation but is entitled to reimbursement for actual and necessary expenses. (Texas Local Government Code 377.052)

Section 6. Vacancies and Resignations

A vacancy in any position of the Board, which occurs by reason of death, disqualification, removal, resignation, or otherwise, shall be filed by the Council, and such replacement shall serve for the remainder of the time of the vacated position.

A Director may resign at any time, and such resignation shall be made in writing addressed to the Mayor of the City, with a copy to the President of the Board, and shall take effect at the time specified therein, or if no time is specified, at the time of its receipt by the City Secretary,

Any Director may be removed from office by an affirmative vote of two-thirds (2/3) of the Council, at any time without cause.

Section 7. Meetings of the Board

Regular meetings of the Board shall be conducted in the municipality that created the district. (Texas Local Government Code Sec. 377.053)

Directors may hold their meetings and may have an office and keep books of the District at Bartlett City Hall, or such other place or places within the District as the Board may from time to time determine.

Special meetings of the Board shall be held whenever called by the President of the Board, or at the request of a majority of the Directors.

Meetings of the Board shall be in compliance with Chapter 551.043 of the Texas Government Code (the "Open Meetings Act") and shall be posted seventy-two (72) hours in advance of the meeting at City Hall. The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public at all times for at least 72 hours before the scheduled time of the meeting, except as provided by Sections 551.044-551.046.

Every regular, special, or called meeting of a governmental body shall be open to the public, except as provided by this chapter. (Texas Government Code Sec. 551.002)

The District, the Board, and any committee of the Board exercising the powers of the Board, are subject to Chapter 552 of the Texas Government Code (the "Public Information Act").

Section 8. Quorum

A majority of the Board, who are physically present, shall constitute a quorum. The affirmative vote of three (3) or more Directors present and voting at a meeting at which a quorum is in attendance, shall constitute an act of the Board, unless the act of a greater number is required by law or by these Bylaws. A Director who is present at a meeting of the Board at which an action is taken, shall be presumed to have assented to such action, unless their dissent shall be entered into the minutes of the meeting.

Section 9. Conflict of Interest

The members of the Board are considered local public officials within the meaning of Chapter 171 of the Texas Local Government Code. If a Director has a substantial interest, as that term is defined in said Chapter, in a business entity or real property which is the subject of deliberation by the Board, the Director shall file an affidavit with the Secretary stating the nature or extent of the interest. Such affidavit shall be filed prior to any deliberation or action upon the matter.

Section 10. Board's Relationship with the Council

The Council shall require that the District be responsible to it for the proper discharge of its duties and fiduciary obligations, however, the Board shall otherwise be free to exercise its authority as specified by the Act and to comply with all statutory administrative actions required by law, these Bylaws, and contracts entered into with the City.

Section 11. Board's Relationship with Administrative Departments of the City

Any request for services made to the administrative departments of the City shall be made by the President of the Board in writing to the Mayor. The Mayor may approve such requests when such requested services are available within the administrative departments of the City and the Board has agreed to reimburse the administrative department's budget for the costs of such services.

ARTICLE IV - OFFICERS

Section 1. Officers and Terms

Texas Local Government Code Sec. 377.054-The board shall designate from the members of the board a presiding officer (President), a secretary, and other officers the board considers necessary.

Texas Local Government Code Sec. 377.051(c) - Directors serve staggered two-year (2) terms. A director may be removed by the appointing municipality at any time without cause. Successor directors are appointed in the same manner as the original appointees

Section 2. President

The President shall preside at all meetings of the Board. The President shall be the Chief Executive officer of the District; shall be in general charge of the properties, affairs, and operations of the District. The President shall be the designated signatory of the District. The President shall serve as the Public Information Officer spokesperson of the District. The President may call special and emergency meetings of the Board.

For the Sections 3, 5, and 6 please refer to Texas Local Government Code 377.054

Section 3. Vice President

The Vice president shall perform the duties and exercise the powers of the President upon the President's absolute inability to perform the duties of the office of President. The Vice President shall serve as the Officer-in-Charge of requests for public information. The Vice President shall have such other powers and duties as may be assigned by the Board or the President.

Section 4. Secretary

The Secretary shall keep the minutes of all meetings of the Board; shall attend the giving and serving of all notices; shall have charge of the District's books, records, documents and instruments, except the books of accounting, financial records, and securities; and shall have custody and charge, and such other books and papers as the Board may direct, all of which shall, at all reasonable times, be open to the inspection of any Director or Citizen, upon application to the Vice President (unless a Financial Director is chosen).

Sectional 5. Finance Director

The Finance Director shall keep the books of accounting, financial records, and securities of the District; and such other books and papers as the Board may direct, all of which, shall, at all reasonable times, be open to the inspection of any Director or Citizen, upon application to the Vice President;

The Finance Director shall facilitate the annual audit, and other audits as directed by an affirmative vote of a majority of the Board, or upon a petition of one hundred (100) Citizens within the District wishing to fund an independent audit by a qualified certified public accountant.

The Finance Director shall prepare financial reports to each regular meeting of the Board and City Council, or as directed by an affirmative vote of a majority of the Board. Such reports shall include an income total, expenditure total, and a listing of projects, indicating the total budgeted dollars expenditures-to-date, total remaining dollars, and a percentage of expenditures to budgeted dollars.

Section 6. Ex Officio Director

The City Council shall appoint a Council member to serve as the Council's liaison to the Board;

The Ex Officio Director may participate in Board deliberations but shall not have vote on matters before the Board.

Section 7. Additional Officer

The governing body (Bartlett City Council) will appoint a 5th voting member in the event a tie vote needs to be broken.

ARTICLE V - GENERAL POWERS AND DUTIES OF THE DISTRICT

Section 1. Limitations of District Powers

A District may:

- 1) perform any act necessary to the full exercise of the district's powers;
- 2) accept a grant or loan from a:
 - A. Department or agency of the United States;
 - B. Department, agency, or political subdivision of this state; or
 - C. Public or private person.;
- 3) acquire, sell, lease, convey, or otherwise dispose of property or an interest in property, including a development, under terms and conditions determined by the district;
- 4) employ necessary personnel; and
- 5) adopt rules to govern the operation of the district and its employees and property.

B) A district may contract with a public or private person to:

- 1) plan, acquire, establish, develop, construct, or remove a development project; or
- 2) perform any other act the district is authorized to perform under this chapter.

C) A district may not levy an ad valorem

tax. (Texas Local Government Sec.

377.071)

In the fulfillment of its purpose, the District shall be governed by the Act, and shall have all of the powers set forth and conferred in the Act, otherwise applicable laws, and subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

Section 2. Recommending Body

Excepting administrative projects for the sole benefit of the Board to exercise its authority and those projects authorized by law, the Board is a recommending body to the Council.

Section 3. Other District Powers

Subject to an approved recommendation of the Board by the City Council, the District

may perform any act necessary to the full exercise of the District's powers including:

- a. accepting a grant or loan from a department or agency of the United States; department, agency, or political subdivision of this state; or public or private person;

- b. acquiring, selling, leasing, conveying, or otherwise disposing of property or an interest in property, including a Development Project, under terms and conditions determined by the District;
- c. employing necessary personnel; and
- d. adopting rules to govern the operation of the District and its employees and property.

Section 4. Strategic and Project Planning

The District may contract with a public or private person to plan, develop, research, develop and prepare Strategic and Project Plans, which shall include proposed methods and the expected cost of implementation. Strategic Plans shall include both short-term and long-term goals for the economic development of the City, proposed methods for elimination or unemployment, under-employment, and the promotion of employment, through the expansion and development of a sound retail, industrial, and manufacturing base for and within the District. The Strategic Plan shall be complimentary to the goals and objectives of the City. Project Plans shall include the goals of the project, positive and negative economic impacts, project risks, mitigating strategies, project timelines, budgets, funding sources, and financial risks and mitigating strategies.

ARTICLE VI - FISCAL PROVISIONS

Section 1. Municipal Development Project Fund

- a) A district shall establish by resolution a fund known as the development project fund. The district may establish separate accounts within the fund.
- b) The district shall deposit into the development project fund:
 - 1) the proceeds from any sales and use tax imposed by the district;
 - 2) all revenue from the sale of bonds or other obligations by the district; and
 - 3) any other money required by law to be deposited in the fund.
- c) Except as provide by Subsections (d) and (e), the district may use money in the development project fund only to:
 - 1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects in the district;
 - 2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or so refund bonds or other obligations; or
 - 3) pay the costs of operating or maintaining one or more development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

Texas Local Government Code Sec.377.072 (a)(b)(c)

Section 2. Use of Municipal Development Project Fund

Subject to an approved recommendation of the Board by the Council, the District may use money in the Development Project Fund to:

- a) pay the cost of planning, acquiring, establishing, developing, constructing, or renovating one or more Development Projects in the District;
- b) pay the principal of interest on, and other costs relating to bonds or other obligations issued by the District or to refund bonds or other obligations.
- c) pay the costs of operating or maintaining one or more Development Projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding; or
- d) as otherwise permitted by the Act as it exists or may be amended.

Section 3. Bonds and Other Obligations

The fiscal year of the District shall commence on October 1st of each year and end on September 30th.

On or before July 1st of each year, the Board shall have prepared and presented a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year to the council.

The District shall expend funds consistent with the approved budget. Any proposed budget amendments will require approval by the Council.

Section 4. Bonds and Other Obligations

- a) A district may issue bonds, including revenue bonds and refunding bonds, or other obligations to pay the costs of a development project.
- b) The bonds or other obligations and the proceedings authorizing the bonds or other obligations shall be submitted to the attorney general for review and approval as required by Chapter 1202, Government Code.
- c) The bonds or other obligations must be payable from and secured by the revenues of the district.
- d) The bonds or other obligations may mature serially or otherwise not more than 30 years from their date of issuance.
- e) The bonds or other obligations are not a debt of and do not create a claim for payment against the revenue or property of the district other than a development project for which the bonds are issued.

(Texas Local Government Code Sec. 377.073)

Section 5. Finance and Accounting

The Finance Director shall have custody of all funds and securities of the District and shall maintain all accounts and financial records in accordance with the City's standard accounting procedures.

When necessary, the Finance Director shall:

- I. Endorse for collection, on behalf of the District, checks, notes and other obligations and deposit same to the credit of the District in such depositories as shall be designated by the Board;
- II. Sign all receipts and vouchers for payments made to the District jointly with the President or Vice President.

Section 6. Auditing Procedures

The Board shall provide for an annual financial audit to be performed by a competent independent audit firm.

ARTICLE VII - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Rights to Indemnification

To the fullest extent allowed by law, the District shall indemnify all Directors and employees of the District against expenses (including attorney's fees) and amounts paid in settlement actually and reasonably incurred by a Director or employee in connection with the defense of any civil, criminal, or administrative action, suit or proceeding in which the Director or employee is made a party, or with which the Director or employee is threatened, by reason of being or because of any act as a Director or employee within the course and scope of their duties or employment, if the Director or employee acted in good faith and in a manner in which the Director or employee reasonably believed to be in or not opposed to the best interest of the District, and with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful.

Section 2. Limit on Indemnification

Notwithstanding the foregoing, a Director or employee shall not be entitled to indemnification regarding:

- I. Any matter in which they shall be adjudged by a court of competent jurisdiction to be liable for intentional acts of misconduct or gross negligence in the performance of their duties; or
- II. Any matter in which they fail to notify the District of a claim within a reasonable time or fails to cooperate in the defense of such claim, but only to the extent that the defense of such claim is prejudiced by their failure to give notice or to cooperate.

Section 3. Insurance

The District shall purchase and maintain insurance, to protect itself and any person who is or was serving as a Director or employee of the District against any expense, liability, or loss.