

**BYLAWS  
OF  
NASSAU BAY ECONOMIC DEVELOPMENT CORPORATION**

**SECTION I**

**OFFICES**

**Principal Office**

1.01 The principal office of the Corporation in the State of Texas shall be located at 1800 NASA Parkway, Nassau Bay, Texas.

**Registered Office and Registered Agent**

1.02 The Corporation shall comply with the requirements of the Texas Non-Profit Corporation Act and the Development Corporation Act of 1979 and maintain a registered office in the City of Nassau Bay and a registered agent whose office is identical with such registered office. The registered office may be, but need not be, identical with the Corporation's principal office in Texas. The registered agent shall be a resident of the State of Texas. The Board of Directors may change the registered office and the registered agent as provided for in said Act. The initial registered office of the Corporation shall be located at 1800 NASA Parkway, Nassau Bay, Texas, and the initial registered agent, as amended, at such address shall be John D. Kennedy.

**SECTION II**

**PURPOSES**

2.01 The Corporation is a non-profit corporation specifically governed by Section 4B of the Texas Development Corporation Act of 1979.

2.02 The purpose of the Corporation is to encourage the retention of business enterprises within the City of Nassau Bay and the promotion and development of new and expanded business enterprises in the City in order to promote and encourage the economic growth of the City and the full employment, welfare, and prosperity of its citizens as provided by the Development Corporation Act of 1979, as amended.

**SECTION III**

**MEMBERS**

3.01 The Corporation shall have no members.

**SECTION IV**

## **BOARD OF DIRECTORS**

### **Management of the Corporation**

4.01 Its Board of Directors shall manage the affairs of the Corporation.

### **Number, Qualifications, and Tenure of Directors**

4.02 The number of directors shall be seven (7). Directors shall be appointed by the City Council for two-year terms of office. No person shall be appointed director more than four (4) consecutive times. A director may be removed by the City Council at any time without cause. Each director shall be a resident of the City of Nassau Bay. The Mayor and the persons holding City Council Positions Three, Four, and Five shall be four of the directors. The remaining three directors shall be persons who are not employees, agents, paid or non-paid appointed officers, or members of the City Council or any City committee, board, or commission except the Planning Commission.

### **Vacancies**

4.03 Any vacancy occurring in the Board of Directors shall be filled by appointment by the City Council of the City of Nassau Bay. A director appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

### **Ex Officio Member of the Board**

4.04 The City Manager shall serve as Ex Officio member of the Board.

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

4.05 The Board is hereby required to perform the following duties:

1. In cooperation with the Nassau Bay Planning Commission, the Board shall develop, or cause to be developed, an overall economic development plan for the City which shall include and set forth intermittent and/or short term goals and long term goals which the Board deems necessary to accomplish its purpose as stated in Section II of these bylaws. Such plan shall be approved by the City Council of the City of Nassau Bay. This plan shall include the following elements:

- (a) An economic development strategy to permanently bolster the business climate throughout the City.
- (b) Strategies to fully utilize the assets of the City which enhance economic development.
- (c) Identification of strategies to coordinate public, private, and academic resources to develop and enhance business opportunities for all citizens of Nassau Bay.
- (d) Assurance of accountability of all tax monies expended by the Corporation for implementation of the overall economic development plan.

- (e) Identification of strategies and provision for implementation of identified strategies for direct economic development as defined in this Section.
- (f) An annual work plan outlining the anticipated 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 Section 6.02 of these Bylaws.

2. The Board shall review the overall economic development plan twice each year to ensure that said plan is up to date with the current economic climate and is capable of meeting Nassau Bay's current economic development needs.

3. The Board shall expend, in accordance with State law, the tax funds received by it on direct economic development where such expenditures will have a direct benefit to the citizens of Nassau Bay. Tax proceeds may be used to: (1) pay the costs of projects found by the Board to be required or suitable for use for amateur (including children's) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, and related space improvements, municipal buildings, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, general municipally owned improvements, water and sewer facilities, drainage, demolition, and other related improvements that enhance any of those items; or (2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the Corporation to pay the costs of the projects or to refund bonds or other obligations issued to pay the costs of projects.

As used in this Section, "direct economic development" shall mean the expenditure of such tax funds for programs that directly accomplish or aid in the accomplishment of creating identifiable new jobs or retaining identifiable existing jobs including job training and/or planning and research activities necessary to promote said job creation. The Corporation's focus will be primarily in the areas of:

- (a) Business and industry retention and expansion;
- (b) Formation of new businesses and industries; and
- (c) Business and industry attraction.

4. The Board may contract with the City of Nassau Bay, or with another entity, for administrative services. The Board may plan and direct its work through a designated employee of the City of Nassau Bay or other contractual entity, who will be charged with the responsibility of carrying out the Corporation's plan and program as adopted by the Board.

5. The Corporation shall make reports to the City Council of the City of Nassau Bay. The Corporation shall discharge this requirement by reporting to the City Council in the following manner:

(a) The Corporation shall make a detailed report to the City Council once each year. Such report shall include, but not be limited to, the following:

1. A review of all expenditures made by the Board in connection with its activities involving direct economic development as defined in this Section, together with a report of all other expenditures made by the Board.
2. A review of the accomplishments of the Board in the area of direct economic development.
3. 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.
4. The activities of the Board for the budget year addressed in said annual report, together with any proposed change in said activity as said activity or activities relate to direct economic development.
5. 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.
6. The annual required report shall be made to the City Council no later than November 1 of each year.
7. The annual report shall be considered by the City Council for its review and acceptance.

(b) The Board shall be regularly accountable to the City Council for all activities undertaken by it or on its behalf and shall report on all activities of the Board, whether discharged directly by the Board or by any person, firm, corporation, agency, association, or other entity on behalf of the Board. A mid-year report covering the period October 1 to March 31 shall be made by the Board to City Council. The semi-annual report shall be made no later than May 1 and shall include the following:

- (1) Accomplishments to date as compared with the overall plan or strategy for direct economic development.
- (2) Anticipated short term challenges during the next six months reporting period together with recommendations to meet such short-term challenges.
- (3) Long term issues to be dealt with over the succeeding twelve-month period or longer period of time, together with recommendations to meet such issues with emphasis to be placed on direct economic development.
- (4) A recap of all budgeted expenditures for the first six months of the fiscal year, together with a recap of budgeted funds left unexpended and any commitment made on said unexpended funds.

### **Implied Duties**

4.06 The Corporation is authorized to do that which the Board deems desirable to accomplish any of the purposes or duties set out in Sections 2.02 and 4.05 of these Bylaws and in accordance with State law.

### **Meetings**

4.07 The Board shall hold its annual meeting at 7:00 p.m. on the fourth Monday of the month of October of each year and shall hold regular meetings at 7:00 p.m. on

Mondays, as needed, in the months of January, April, and July of each year. Special meetings may be called by the President when in his or her judgment such meetings are required. All meetings shall be at City Hall except as otherwise designated by the Board. If there is no business to discuss, the President shall notify the Board members that the meeting is canceled no later than 72 hours prior to the scheduled meeting. Notice of the cancellation shall be posted at City Hall no later than 72 hours prior to the regularly scheduled meeting. All meetings of the Board shall provide notice thereof as provided and set forth in Vernon's Annotated Civil Statutes Article 6252-17, et seq.

Notice of any meeting shall be given to the public in accordance with the requirements of the Texas Open Meetings Act. The notice shall contain information regarding the particular time, date, and location of the meeting and the agenda to be considered. All meetings shall be conducted in accordance with the Texas Open Meetings Act.

### **Attendance**

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

### **Quorum**

4.09 For the purposes of convening a meeting and transacting the business of the Corporation at any meeting, a majority of the entire membership of the Board shall constitute a quorum. Directors must be present in order to vote at any meeting. If there is an insufficient number of Directors present to convene the meeting and transact business, the presiding officer shall adjourn the meeting.

### **Compensation**

4.10 The duly appointed members of the Board shall serve without compensation but shall be reimbursed for actual or commensurate cost of travel, lodging, and incidental expenses while on official business of the Board in accordance with State law. Travel, lodging, and meal reimbursements shall be subject to the same limitations and restrictions applicable to officers and employees of the City.

### **Voting; Conflict of Interest**

4.11 Whenever a Director is aware of a conflict of interest or potential conflict of interest with regard to any particular vote, the Director shall bring the same to the attention of the meeting and shall abstain from the vote, unless the Board determines that no conflict of interest exists. Any Director may bring to the attention of the meeting any apparent conflict of interest or potential conflict of interest of any other Director, in

which case the Board shall determine whether a true conflict of interest exists before any vote shall be taken regarding that particular matter. The Director as to whom a question of interest has been raised shall refrain from voting with regard to the determination as to whether a true conflict exists.

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

4.12 In accordance with State Law, the City Council shall require that the Corporation be responsible to it for the proper discharge of its duties as assigned in this Section. 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 herein 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**

4.13 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 he or she finds 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 from the City Attorney shall be made by the President or his or her designee to the City Attorney. The City Attorney may provide such assistance when such services are available and the Board has agreed to reimburse the City for cost of providing the legal services.

## **SECTION V**

### **OFFICERS**

#### **Officers of the Corporation**

5.01 The elected officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The Board may resolve to elect one or more assistant Secretaries or one or more assistant Treasurers, as it may consider desirable. Such officers shall have the authority and perform the duties of the office as the Board may from time to time prescribe or as the Secretary or Treasurer may from time to time delegate to his or her respective Assistant. Any two (2) or more offices may be held by the same person, except that the President shall not hold the office of Secretary.

#### **Selection of Officers**

5.02 The initial officers 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 officers, the Board shall select successors from among its members. The term of office of each officer shall always be for a period of one year; provided, however, that each officer shall continue to serve until the election of his or her successor. Elections shall be held at the annual meeting of the Board.

### **Vacancies**

5.03 Vacancies in any office which occur by reason of death, resignation, disqualification, removal, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of that office, in the same manner as other officers are elected by the Board.

### **President**

5.04 The President shall be the presiding officer of the Board with the following authority:

1. Shall preside over all meetings of the Board.
2. Shall have the right to vote on all matters coming before the Board.
3. Shall have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such meeting is required.
4. Shall have the authority to appoint standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board. Members of such committees serve at the pleasure of the President, without compensation, and need not be a director or resident of the City.
5. Shall have the authority to appoint ad hoc committees, which may address issues of a temporary nature or concern or which have a temporary effect on the business of the Board. Members of such committees serve at the pleasure of the President, without compensation, and need not be a director or resident of the City.
6. Shall have the authority to cancel a regularly scheduled meeting of the Board when there is no business to discuss provided he or she gives notice to Board members and to the public of the cancellation no later than 72 hours prior to the regularly scheduled meeting.

In addition to the above mentioned duties, the President shall sign with the Secretary of the Board any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has approved, unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by other statute subject to the approval of the City Council. In general, the President shall perform all duties incident to the office and such other duties as shall be prescribed from time to time by the Board of Directors.

### **Vice President**

5.05 In the absence of the President, or in the event of his or her inability to act, the Vice President shall perform the duties of the President. When so acting, the Vice President shall have all power of and be subject to all the same restrictions as upon the President. The Vice President shall also perform other duties as from time to time may be assigned to him or her by the President.

### **Secretary**

5.06 The Secretary shall keep, or cause to be kept, at the registered office a record of the minutes of all meetings of the Board and of any committees of the Board. The Secretary shall also file a copy of said Minutes with the City Secretary. Minutes are to be kept in accordance with the provisions of these Bylaws, or as required by the Texas Open Meetings Act, or the Texas Open Records Act, or other applicable law. The public minutes of all Board meetings shall be placed on the agenda of the City Council for approval. The Secretary shall be custodian of the corporate records and seal of the Corporation and shall keep a register of the mailing address and street address, if different, of each director.

### **Treasurer**

5.07 The Treasurer shall keep, or cause to be kept, at the registered office a record of all receipts and expenditures of the funds of the Corporation. The Treasurer shall see that a written monthly financial report of income and expenditures be mailed or delivered to all members of the Board. The Treasurer shall, in general, perform all the duties incident to that office and such other duties as from time to time may be assigned to him or her by the President of the Board.

### **Assistant Secretaries and Assistant Treasurers**

5.08 The Assistant Secretaries and Assistant Treasurers, if any, shall, in general, perform such duties as may be assigned to the respective assistant by the Secretary or Treasurer, or as may be assigned by the President or the Board of Directors.

### **Employees**

5.09 The Corporation may, with approval of the City Council, contract with the City of Nassau Bay, or with another entity or individual, for such full or part-time employees as needed to carry out the programs of the Corporation. These employees shall perform those duties outlined in the contract and assigned to them by the Board.

### **Contracts for Service**

5.10 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 or 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 hereinabove set forth in this Section.

### **Surety Bonds**

5.11 If the Corporation contracts with any entity other than the City for financial services, the entity providing the financial service shall be required to give an official bond in the sum of not less than One Hundred Thousand Dollars (\$100,000.00). The bonds referred to in this Section shall be considered for the faithful accounting of all monies and things of value coming into the hands of such entities. The bonds shall be procured from some regularly accredited surety company authorized to do business in the State. A copy of such bond shall be filed with the Corporation and with the City Secretary.

If the Corporation does not elect to contract for financial services, the President, Vice President, and Treasurer of the Board shall each give an official bond in the sum of not less than One Hundred Thousand Dollars (\$100,000.00). The bonds referred to in this Section shall be considered for the faithful accounting of all monies and things of value coming into the hands of such officers. The bonds shall be procured from some regularly accredited surety company authorized to do business in the State. The premiums therefore shall be paid by the Corporation. A copy of each officer's bond shall be filed with the City Secretary.

## **SECTION VI**

### **FINANCIAL ADMINISTRATION**

The Corporation shall employ the City, at the City's actual cost, to perform the Corporation's financial and accounting requirements, including an annual audited financial statement of all funds. The Corporation's financing and accounting records shall be maintained according to the following guidelines:

#### **Fiscal Year**

6.01 The fiscal year of the Corporation shall begin on October 1 and end on September 30 of the following year.

#### **Budget**

6.02 A budget for the forthcoming fiscal year shall be submitted to, and approved by, the Board of Directors and the City Council of the City of Nassau Bay. On or before the fifth day of August of each year, the Board shall submit the budget for the ensuing fiscal year to the City Council.

#### **Contracts**

6.03 As provided in Section V above, the President and Secretary shall execute any contracts or other instruments which the Board has approved and authorized to be executed, provided however, that the Board may by appropriate resolution authorize any other officer or officers or any other agent or agents to enter into contracts or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be confined to specific instances or defined in general terms. When appropriate, the Board may grant a specific or general power of attorney to carry out some action on behalf of the Board, provided however, that no such power of attorney may be granted unless an appropriate resolution of the Board authorizes the same to be done subject to the approval of the City Council.

### **Checks and Drafts**

6.04 All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be approved by the Board and signed by any two of the following three officers, President, Vice President, or Treasurer, of the Corporation or their designees which are specified by the Board. Further, in any event, at least one of the officers' signatures must be on each check, draft, or order for payment. Any such expenditure in the amount of \$15,000.00 or more shall also be approved by the City Council.

### **Deposits**

6.05 All funds of the Corporation shall be deposited on a regular basis to the credit of the Corporation in a local bank, which shall be federally insured and shall be selected following procedures and requirements for selecting a depository as set forth in Chapter 105 of the Local Government Code.

### **Gifts**

6.06 The Corporation may accept any contribution, gift, bequest, or device for the general purpose or for any special purposes of the Corporation.

### **Purchasing**

6.07 All purchases made and contracts executed by the Corporation shall be made in accordance with the requirements of the Texas Constitution and statutes of the State of Texas.

### **Investments**

6.08 Temporary and idle funds which are not needed for immediate obligations of the Corporation may be invested in any legal manner provided in Texas Revised Civil Statutes Annotated Article A-2 (Public Funds Investment Act).

### **Bonds**

6.09 Any bonds issued by the Corporation shall be in accordance with the statute governing this Corporation but in any event, no bonds shall be issued without approval of the Nassau Bay City Council after review and comment by the City's bond counsel and financial advisor.

### **Uncommitted Funds**

6.10 Any uncommitted funds of the Corporation at the end of the fiscal year shall be considered a part of the Fund Balance of the Corporation.

The undesignated Fund Balance may be committed for any legal purpose provided the Corporation's Board of Directors and the City Council both approve such commitment. This may include the establishment of a Permanent Reserve Fund, which shall be accumulated for the purpose of using the interest earnings of such fund to finance the operation of the Corporation.

### **Monthly Reports**

6.11 The City financial office will provide to the Board of Directors a monthly report of all matters required, permitted, or done pursuant to Sections 6.03 through 6.08 above or as by contract.

### **Annual Audit**

6.12 The City of Nassau Bay, or any other contractual entity providing financial services to the Corporation, will provide to the Board of Directors an annual audited financial statement of all funds. This audit is to be prepared by a competent, independent audit firm as soon as practical following the end of each fiscal year.

## **SECTION VII**

### **BOOKS AND RECORDS**

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 and of any committee having any authority of the Board and to the City Council. All books and records of the Corporation may be inspected by the City Council and the Directors of the Corporation or its agents or attorneys at any reasonable time. Any information, which may be designated as public information by law, shall be open to public inspection at any reasonable time. The Texas Open Records Act and Open Meetings Act shall apply to disclosure of public information.

## **SECTION VIII**

**SEAL**

The Board of Directors shall obtain a corporate seal, which shall bear the words "Corporate Seal of Nassau Bay Economic Development Corporation." The Board may thereafter use the corporate seal and may later alter the seal as necessary without changing the corporate name; but these Bylaws shall not be construed to require the use of the corporate seal.

## **SECTION IX**

### **PROGRAM**

#### **Authorization**

9.01 The Corporation shall carry out its program subject to its Articles of Incorporation, these Bylaws, the Development Corporation Act, and such resolutions as the Board may from time to time authorize.

#### **Program**

9.02 The program of the Corporation shall be to assist, stimulate, and enhance economic development in Nassau Bay, Texas, subject to applicable State and Federal law, these Bylaws, and the Articles of Incorporation.

## **SECTION X**

### **PARLIAMENTARY AUTHORITY**

#### **Amendments to Bylaws**

The Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of five (5) of the authorized Directors serving on the Board, provided that at least ten (10) days prior to the meeting at which such action is taken, written notice setting forth the proposed action shall have been given to the Directors, and public notice regarding such action given according to the requirements of the Texas Open Meetings Act.

Notwithstanding the foregoing, no amendment or new Bylaw shall become effective unless the City Council approves the amendment or new Bylaw.

## **SECTION XI**

### **DISSOLUTION**

#### **On Petition of Voters**

11.01 On petition of ten percent (10%) or more of the registered voters of the City of Nassau Bay requesting an election on the dissolution of the Corporation, the City Council

shall order an election on the issue. The election must be conducted according to the applicable provisions of the Texas Election Code. The ballot for the election shall be printed to provide for voting for or against the proposition: "Dissolution of the Nassau Bay Economic Development Corporation."

If a majority of the voters voting on the issue approve the dissolution, the Corporation shall continue operations only as necessary to pay the principal of and interest on its bonds and to meet obligations incurred before the date of the election and, to the extent practicable, shall dispose of its assets and apply the proceeds to satisfy those obligations. When the last of the obligations is satisfied, any remaining assets of the Corporation shall be transferred to the City, and the Corporation is dissolved.

### **Voluntary Dissolution**

11.02 The Corporation may cease its corporate activities and terminate its existence by voluntary dissolution as provided in the Development Corporation Act of 1979.

## **SECTION XII**

### **INDEMNITY**

The Corporation shall INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS each current or former Director or Officer of the Corporation, the City of Nassau Bay, and their respective, as applicable, directors, officers, employees, representatives, agents, successors, and assigns from and against any and all liability, damage, loss, cost, fines, expense (including, without limitation, attorneys' fees and expenses), action, proceeding, judgment, settlement, claim or dispute directly or indirectly arising or resulting, in whole or in part, from the Corporation's activities or the acts or omissions of the Corporation's Directors, Officers, employees, representatives, agents, successors, and assigns. The Corporation's agreement to INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS shall apply and be enforceable regardless of any actual or alleged fault, negligence, gross negligence, strict liability, fraud, intentional acts or omissions, or breach of any statutory, contractual, common law, or other duties of any type or nature whatsoever on the part of any current or former Director or Officer of the Corporation, the City of Nassau Bay, or their respective, as applicable, directors, officers, employees, representatives, agents, successors, and assigns.

## **SECTION XIII**

### **MISCELLANEOUS**

#### **Relation to Articles of Incorporation**

These Bylaws are subject to, and governed by, the Articles of Incorporation and applicable State statutes under which the Corporation is organized.

**CERTIFICATE**

This is to certify that the foregoing is a true and correct copy of the Bylaws of the Corporation and that such Amendment to the Bylaws (Section XII, Indemnity) was duly adopted by the Board of Directors of the Corporation on the date set forth below.

Amendment adopted by the Board of Directors on the \_\_\_\_ day of \_\_\_\_\_  
1999.

ATTEST:

\_\_\_\_\_

Secretary

Amendment to Bylaws approved by the City of Nassau Bay by Resolution No.  
\_\_\_\_\_, adopted by the City Council of the City of Nassau Bay on the \_\_\_\_ day of  
\_\_\_\_\_.

ATTEST:

\_\_\_\_\_

City Secretary

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## **Summary of Amendments to Bylaws Made by EDC at August 16, 1999 Meeting**

### **1. Section 4.03, Vacancies**

Strike second sentence:

"All interviews by the City Council for directors to fill vacancies shall be conducted in open meetings."

### **2. Section 4.07, Meetings**

Change first sentence, first paragraph, from:

"The Board shall hold its annual meeting at 7:00 p.m. on the fourth Tuesday of the month of October of each year and shall hold regular meetings at 7:00 p.m. on the fourth Tuesday of the months of January, April, and July of each year."

To:

"The Board shall hold its annual meeting at 7:00 p.m. on the fourth Monday of the month of October of each year and shall hold regular meetings at 7:00 p.m. on Mondays, as needed, in the months of January, April, and July of each year."

Amend the third sentence in the first paragraph from:

"All meetings shall be at City Hall.

To

"All meetings shall be at City Hall except as otherwise designated by the Board."

Delete third paragraph, which consisted of one sentence and which read as follows:

"No meetings of the Board of Directors shall be held outside of the boundaries of the City."

### **3. Section 6.04, Checks and Drafts**

Amend first sentence of paragraph from:

"All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be approved by the Board and signed by two officers of the Corporation or their designees."

To:

"All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be approved by the Board and signed by any two of the following three officers, President, Vice President, or Treasurer, of the Corporation or their designees which are specified by the Board. Further, in any event, at least one of the officers' signatures must be on each check, draft, or order for payment."

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## **Summary of Amendments to Bylaws Made by EDC at October 25, 1999 Meeting**

### **1. SECTION XII, INDEMNITY**

Change entire section from:

#### **SECTION XII**

#### **INDEMNITY**

The Corporation hereby agrees to indemnify and hold harmless each current or former Director or Officer of the Corporation from and against any costs, expenses (including attorneys' fees), fines, settlements, judgments, liabilities, and other amounts, actually and reasonably incurred by such person in any action, suit, or proceeding to which he or she is made a party by reason of holding such position as Officer or Director. Provided, however, that such Officer or Director shall not receive such indemnification if he or she is finally adjudicated in such instance to be liable for intentional misconduct in respect of the matter in which indemnity is sought. The indemnification herein provided shall also extend to good faith expenditures incurred in anticipation of, or preparation for, threatened or proposed litigation. The Board of Directors may, in proper cases, extend the indemnification to cover the good faith settlement of any such action, suit, or proceedings, whether formally instituted or not.

Furthermore, the Corporation agrees to indemnify and hold harmless and defend the City of Nassau Bay, 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 the 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 or omissions of the Corporation, including but not limited to its officers, agents, employees, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity, that the City of Nassau Bay and the Corporation will provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affect or might affect

the Corporation or the City of Nassau Bay, and the City of Nassau Bay shall have the right to compromise and defend the same to the extent of its own interests. It is further agreed this indemnity clause shall be an additional remedy to the City of Nassau Bay and not an exclusive remedy.

To:

## **SECTION XII**

### **INDEMNITY**

The Corporation shall INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS each current or former Director or Officer of the Corporation, the City of Nassau Bay, and their respective, as applicable, directors, officers, employees, representatives, agents, successors, and assigns from and against any and all liability, damage, loss, cost, fines, expense (including, without limitation, attorneys' fees and expenses), action, proceeding, judgment, settlement, claim or dispute directly or indirectly arising or resulting, in whole or in part, from the Corporation's activities or the acts or omissions of the Corporation's Directors, Officers, employees, representatives, agents, successors, and assigns. The Corporation's agreement to INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS shall apply and be enforceable regardless of any actual or alleged fault, negligence, gross negligence, strict liability, fraud, intentional acts or omissions, or breach of any statutory, contractual, common law, or other duties of any type or nature whatsoever on the part of any current or former Director or Officer of the Corporation, the City of Nassau Bay, or their respective, as applicable, directors, officers, employees, representatives, agents, successors, and assigns.