

RESOLUTION NO. 13-2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CREATION OF THE INLAND PORT OF DALLAS COUNTY LOCAL GOVERNMENT CORPORATION, INC., AS A LOCAL GOVERNMENT CORPORATION; APPROVING THE FORM OF CERTIFICATE OF FORMATION FOR SAID CORPORATION; APPROVING THE FORM OF BYLAWS FOR SAID CORPORATION; APPOINTING THE INITIAL MEMBERS OF THE BOARD OF DIRECTORS OF SAID CORPORATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 431, Subchapter D, Texas Transportation Code (“**Chapter 431**” or the “**Act**”) and Chapter 394 of the Texas Local Government Code (“**Chapter 394**”) authorize the creation and organization of a public non-profit joint local government corporation to aid and act on behalf of local governments to accomplish any governmental purposes of the local governments; and

WHEREAS, a local government corporation is created pursuant to the provisions of Chapter 394. A local government corporation may have and exercise all of the powers prescribed by Chapter 431 and the Texas Business Organizations Code. A local government corporation's articles of incorporation and bylaws shall be in the form and executed, approved, and filed in the manner prescribed by Chapter 394; and

WHEREAS, Chapter 394 requires as a condition to the creation of a joint local government corporation that at least three residents of each sponsoring local government who are citizens of the State and at least eighteen (18) years of age submit a written application for the incorporation of the joint local government corporation with the Certificate of Formation and By-Laws to the governing body of each sponsoring local government; and

WHEREAS, the Dallas County Commissioners Court proposes the establishment of an Inland Port of Dallas County Local Government Corporation; and

WHEREAS, the County and Cities, both as defined below, are impacted by developments and investments in the Inland Port of Dallas County; and

WHEREAS, a local government corporation (“**LGC**”) is proposed to act as an official port entity advocating for and coordinating the development and welfare of the Inland Port of Dallas County; and

WHEREAS, an official port authority would give the Inland Port of Dallas County access to Federal and State grant funding for future development; and

WHEREAS, the City Councils of the City of Mesquite, Texas (“**Mesquite**”), the City of Wilmer, Texas (“**Wilmer**”), the City of Balch Springs, Texas (“**Balch Springs**”) (collectively the “**Cities**”), and the County Judge and Members of the Commissioners Court of Dallas County, Texas (the “**County**”), recognize the benefits of the proposed Inland Port of Dallas County Local Government Corporation and would like to seek future development opportunities through the advocacy efforts of the Inland Port of Dallas County Local Government Corporation, Inc.; and

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WHEREAS, pursuant to the provisions of Chapter 431 and Chapter 394, Mesquite, Wilmer, Balch Springs, and the County desire to jointly form a local government corporation for the purpose of aiding, assisting, and acting on behalf of the Cities and the County in performance of their governmental functions to promote the common good and general welfare of the Cities and the County, including without limitation, participate in activities related to advertising, marketing, and promoting economic development, and the general welfare of the Inland Port of Dallas County (the “**Inland Port**”)<sup>1</sup>, and to advance efforts to improve the Inland Port’s relationship with shippers, rail, and other entities related to the development of the Inland Port and to perform such other governmental purposes of the Cities and the County as may be determined from time to time by the City Councils of the Cities, and the Dallas County Commissioners Court (the “**Commissioners Court**”); and

WHEREAS, Mesquite has received an application that meets the requirements of the Act and Chapter 394 for the creation of a joint local government corporation to be known as the Inland Port of Dallas County Local Government Corporation, Inc., and its City Council desires to approve the application, approve the proposed Certificate of Formation for the Inland Port of Dallas County Local Government Corporation, Inc., and approve the By-Laws of the Inland Port of Dallas County Local Government Corporation, Inc., confirm the appointment of the joint corporation's initial members of the Board of Directors, and take such other actions as Mesquite deems appropriate; and

WHEREAS, the Mesquite City Council finds that it is wise, expedient, necessary, advisable, and in the public interest to authorize the creation of the Inland Port of Dallas County Local Government Corporation, Inc., approve the form of Certificate of Formation and Bylaws for said corporation, and appoint the initial directors for said corporation.

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

SECTION 1. The recitals of facts contained in the preamble of this Resolution are found and declared to be true and correct and are adopted as part of this Resolution for all purposes.

SECTION 2. The City Council of Mesquite determines that it is wise, expedient, necessary, and advisable that a local government corporation, to be named the Inland Port of Dallas County Local Government Corporation, Inc., be created to aid and act on behalf of Mesquite, Wilmer, Balch Springs, and the County to accomplish the governmental purpose of coordinating development and general welfare of the Inland Port of Dallas County.

SECTION 3. The City Council of Mesquite authorizes the creation and incorporation of the Inland Port of Dallas County Local Government Corporation, Inc. (“**Dallas County Inland Port LGC**”), under the Act and Chapter 394.

SECTION 4. The City Council of Mesquite approves the Certificate of Formation that is attached hereto as Exhibit A and incorporated herein by reference and authorizes the

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<sup>1</sup> “Inland Port of Dallas County” or “Inland Port” consists of the unincorporated Dallas County and the cities of Dallas, Desoto, Hutchins, Lancaster, and Wilmer. The Inland Port’s neighboring cities consist of Cedar Hill, Duncanville, Balch Springs, Mesquite, and Seagoville. Interstate Highways 20 (East / West) and 45 (North / South) cross through the heart of the Port and the proposed Loop 9 (East / West) is at its southern tip.

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incorporators of the Dallas County Inland Port LGC to file the Certificate of Formation with the Secretary of State of the State of Texas in the manner provided by law.

SECTION 5. The City Council of Mesquite approves the Bylaws of the Dallas County Inland Port LGC, which are attached hereto as Exhibit B and incorporated herein by reference and hereby authorized to be adopted by the Board of Directors of the Dallas County Inland Port LGC as the Bylaws of the Dallas County Inland Port LGC.

SECTION 6. The City Council of Mesquite confirms the appointment of the persons listed in the Certificate of Formation to serve as the initial members of the Board of Directors of the Dallas County Inland Port LGC.

SECTION 7. The City of Mesquite hereby agrees to join the Dallas County Inland Port LGC.

SECTION 8. This resolution shall be in full force and effect from and after its passage and approval.

SECTION 9. The City Council of Mesquite finds that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 4th day of March 2024.

DocuSigned by:  
*Daniel Aleman Jr.*  
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Daniel Alemán, Jr.  
Mayor

ATTEST:

DocuSigned by:  
*Sonja Land*  
C2518095973F46A...

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Sonja Land  
City Secretary

APPROVED AS TO LEGAL FORM:

DocuSigned by:  
*David Paschall*  
666E18891208434...

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David L. Paschall  
City Attorney

**CERTIFICATE OF FORMATION  
OF  
INLAND PORT OF DALLAS COUNTY  
LOCAL GOVERNMENT CORPORATION, INC.**

We, the undersigned persons, each of whom is at least eighteen (18) years of age or more, and a resident and a qualified voter of: the City of Balch Springs, Texas, the City of Mesquite, Texas, and the City of Wilmer, Texas (collectively, the “Cities” and each individually, a “City”) and a resident and qualified voter of Dallas County, Texas (hereinafter the “County”) and a citizen of the State of Texas, acting as incorporators of a corporation under the provisions of Subchapter D of Chapter 431, Texas Transportation Code, (the “Act”), and Chapter 394, Texas Local Government Code, do hereby adopt the following Certificate of Formation for such corporation:

**ARTICLE I  
Corporation Name**

The name of the corporation is **INLAND PORT OF DALLAS COUNTY LOCAL GOVERNMENT CORPORATION, INC.** (the “Corporation”).

**ARTICLE II  
Nature of Corporation**

The Corporation is a public non-profit corporation.

**ARTICLE III  
Duration of the Corporation**

The period of duration of the Corporation shall be perpetual.

**ARTICLE IV  
Corporate Purpose and Authority**

4.01 The Corporation is organized for the purpose of aiding, assisting, and acting on behalf of the Cities and the County in the performance of their governmental functions to promote the common good and general welfare of the Cities and County, including without limitation, participating in activities related to advertising, marketing, development, and the general welfare of the Inland Port of Dallas County, (the “Inland Port”)<sup>1</sup> and to advance efforts to improve the Inland Port’s relationship with shippers, rail, and other entities related to the development of the Inland Port. The Corporation shall also have the authority to construct, develop, own, operate, and maintain buildings and facilities needed for the proper operation of the Inland Port. The Corporation may also collect membership dues to pay for construction projects along with the acquisition of equipment. The Corporation may also perform other governmental functions as may be determined from time to time by City Councils of the Cities (the “City Councils”)

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<sup>1</sup> “*Inland Port of Dallas County*” or “*Inland Port*” consists of the unincorporated Dallas County and the cities of Dallas, Desoto, Hutchins, Lancaster, and Wilmer. The Inland Port neighboring cities consist of Cedar Hill, Duncanville, Balch Springs, Mesquite, and Seagoville. Interstate Highways 20 (East / West) and 45 (North / South) cross through the heart of the Port and the proposed Loop 9 (East / West) is at its southern tip.

and the Dallas County Commissioners Court (the “Commissioners Court”). Subject to applicable state law and any contractual obligations of a City, the County, or this Corporation, a City or the County may discontinue participation in the activities of this Corporation.

4.02 The Corporation is formed pursuant to the provisions of the Act as it is now or may hereinafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the Corporation to assist and act on behalf of the Cities and the County and to engage in activities in furtherance of the purposes for its creation.

4.03 The Corporation, with the prior written consent of the Cities and the County or as may be provided by the Bylaws, shall have the following powers to carry out the purposes of the Corporation, by and through its Directors:

- A. Appoint an Executive Director and employ persons to carry out the purposes of the Corporation;
- B. Appoint a Secretary for the Corporation;
- C. Issue debt or enter into and administer other contractual obligations to carry out the purposes of the Corporation;
- D. Own, lease, maintain, and dispose of real and personal property;
- E. Contract with other political subdivisions and any other governmental units or agencies at the local, state, and federal levels of government; and
- F. The Corporation shall have the power to request and accept any appropriations, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision in the State, or from any other source.

4.04 The Corporation shall have and exercise all of the rights, powers, privileges, and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation, the Texas Nonprofit Corporation Law (Tex. Bus. Org. Code, Chapters 20 and 22 and the provisions of Title I thereof to the extent applicable to non-profit corporations, as amended) or their successor.

4.05 The Corporation shall have all the powers of a like or different nature not prohibited by law which are available to non-profit corporations in Texas and which are necessary and useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created; provided, however, that the Corporation shall not issue any bond, certificate, note or other obligation evidenced by an instrument without the prior written consent of each of the City Councils and the Commissioners Court or as otherwise allowed by the Bylaws.

4.06 The Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for all purposes, including for the purposes of the Texas Tort Claims Act, Section 101.001, et seq., Texas Civil Practice and Remedies Code. The Corporation shall have the power to acquire land in accordance with the Act as it is amended from time to time.

4.07 The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in this Certificate, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article III, Article III, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the Cities, the County, or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the County, the Cities, or its agents or employees, and neither this Certificate nor any action by the Board or the City Councils or Commissioners Court shall create a joint enterprise.

4.08 References herein to the consent or written consent of a City or the County shall refer to an ordinance, resolution, or order of the governing body of the City or County.

**ARTICLE V**  
**No members or Shareholders**

The Corporation shall have no members and shall have no stock.

**ARTICLE VI**  
**Board of Directors**

6.01 All powers of the Corporation shall be vested in a Board of Directors consisting of six (6) members (the "Board") subject to the oversight of the Cities and County and as otherwise provided in the Bylaws. The Board shall independently manage and operate the Corporation and its activities related to the Inland Port in accordance with all applicable laws and documents, including this Certificate of Formation, the Bylaws, one or more contractual agreements, and other such documents agreed to by the Cities and the County and as the same may be amended from time to time.

6.02 The initial directors of the Corporation ("Director" or "Directors") shall be those persons named in Article VIII, below. With respect to the initial Board, the terms of the initial Directors shall commence on the date the Secretary of State has issued the certificate of incorporation for the Corporation. Subsequent Directors shall be appointed to the Board for a term of three (3) years as prescribed herein. Except as set forth in this Certificate of Formation or the Bylaws, any Director may be removed from office at any time, with or without cause, by the City or County responsible for the appointment of the Director by official vote of the respective City Council or Commissioners Court.

6.03 The number of Directors shall be six (6), and shall be selected as follows:

- A. Dallas County shall appoint three (3) Directors by majority approval of the Commissioners Court.
- B. The City of Balch Springs, Texas, shall appoint one (1) Director by majority approval of the City of Balch Springs' City Council.

- C. The City of Mesquite, Texas, shall appoint one (1) Director by majority approval of the City of Mesquite’s City Council.
- D. The City of Wilmer, Texas shall appoint one (1) Director by majority approval of the City of Wilmer’s City Council.

6.04 The Directors must at all times be residents of their appointing entity.

6.05 Except as set forth in Section 6.02 above, Directors shall serve a term of office for three (3) years, with no limit imposed by this Certificate of Formation on the number of terms that a Director may serve.

6.06 Vacancies on the Board that occur before the end of a Director’s term shall be filled in the same manner as appointments made in Section 6.03.

6.07 The Directors may be removed at any time, with or without cause, by the City or County appointing such Director.

6.08 All other matters pertaining to the internal affairs of the Corporation shall be governed by the Bylaws of the Corporation (the “Bylaws”), as adopted by the Board and ratified by the City Councils and Commissioners Court so long as such Bylaws are not inconsistent with this Certificate of Formation or the laws of the State of Texas.

**ARTICLE VII  
Registered Office and Agent**

The street address of the initial registered office of the Corporation is 500 Elm Street, Suite 7600, Dallas, Texas 75202, and the initial registered agent at such address is Darryl Martin, Dallas County Administrator.

**ARTICLE VIII  
Initial Directors**

The names, addresses, and terms of office of the six (6) initial Directors are:

	<b>NAME</b>	<b>ADDRESS</b>	<b>CITY/COUNTY</b>	<b>TERM EXPIRES</b>
1	Alberta Blair	5024 Wateka Drive	Dallas County	12/31/2024
2	Charles Reed	1119 Meadow Ridge Drive	Dallas County	12/31/2024
3	Luis Tamayo	3232 Basil Court	Dallas County	12/31/2024
4	Katisha Bruner	12508 Natalie Drive	Balch Springs	12/31/2024
5	Cliff Keheley	622 Via Corona	Mesquite	12/31/2024
6	Jeff Steele	405 W. Pleasant Run Road	Wilmer	12/31/2024

**ARTICLE IX  
Incorporators**

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within one of the Cities and the County forming this Corporation are:

<u>NAME</u>	<u>ADDRESS</u>
Abel Del Fierro	12610 Summer Hill, Balch Springs, TX 75180
Darrel Turner	12012 Squire, Balch Springs, TX 75180
Katisha Bruner	12508 Natalie Drive, Balch Springs, TX 75180
Alberta Blair	5024 Wateka Drive, Dallas, TX 75209 (Dallas County)
Charles Reed	1119 Meadow Ridge Drive, Duncanville, TX 75137 (Dallas County)
Luis Tamayo	3232 Basil Court, Dallas, TX 75204 (Dallas County)
David Burriss	4229 Coryell Way, Mesquite, TX 75150
Nadine Ward	425 Walnut Drive, Mesquite, TX 75149
Tom Palmer	720 John Peter Court, Mesquite, TX 75149
Elizabeth Barrientos	411 Richmond Drive, Wilmer, TX 75172
Laura Jacobs	306 N Dallas Avenue, Wilmer, TX 75172
Jennifer Jones	430 Lucky Landing, Wilmer, TX 75172

**ARTICLE X  
Approval of Certificate of Formation by Cities and County**

Commissioners Court Order No. \_\_\_\_\_ approving the form and substance of this Certificate of Formation was adopted by the Dallas County Commissioners Court on \_\_\_\_\_.

Resolution No. \_\_\_\_\_ approving the form and substance of this Certificate of Formation was adopted by the City Council of the City of Balch Springs, Texas on \_\_\_\_\_.

Resolution No. \_\_\_\_\_ approving the form and substance of this Certificate of Formation was adopted by the City Council of the City of Mesquite, Texas on \_\_\_\_\_.

Resolution No. \_\_\_\_\_ approving the form and substance of this Certificate of Formation was adopted by the City Council of the City of Wilmer, Texas on \_\_\_\_\_.

**ARTICLE XI  
Director Liability**

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as Director, except for liability (i) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (ii) for any transaction from which the



Director received an improper or unethical benefit as determined by the law, orders, ordinances, and policies applicable to the Director's appointing entity, whether or not the benefit resulted from an act taken within the scope of the Director's office; or (iii) for any acts or omissions for which the liability of a Director is expressly provided by statute. Any repeal or amendment of this Article by the Directors shall be prospective only and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by Texas law.

## **ARTICLE XII**

### **Limits on Use of Corporate Assets; Income of Corporation**

12.01 In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code (the "Code"), and regardless of any other provisions of this Certificate of Formation or the laws of the State of Texas, the Corporation shall not:

- A. Permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for this Corporation in effecting one or more of its purposes);
- B. Use its funds or income to influence legislation by any means;
- C. Participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office; and
- D. Attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives.

No part of this Corporation's income shall inure to the benefit of any private interests.

12.02 Notwithstanding Section 431.107 of the Act, entitling the Cities and the County at all times to have the right to equally receive income earned by this Corporation, any income earned by this Corporation after payment of reasonable expenses, reasonable reserves for future activities, debt, establishment of capital reserve, and establishment of a reserve for other legal obligations of the Corporation, shall be retained by this Corporation and applied equitably as a credit to the Cities and County and their respective funding source obligations.

## **ARTICLE XIII**

### **Dissolution**

13.01 If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all bonds or notes issued by and all obligations incurred by the Corporation or on behalf of the Corporation have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of Texas Local Government Code, or with applicable Texas law then in existence.

13.02 Subject to any restrictions contained in applicable Texas law, if each of the Cities and County considers and approves a concurrent resolution, ordinance, or order directing the Board to proceed

with the dissolution of the Corporation, the Board shall promptly proceed with the dissolution of the Corporation. The failure of the Board to promptly proceed with the dissolution of the Corporation in accordance with this Section 13.02 shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI of this Certificate of Formation.

13.03 Upon dissolution of the Corporation:

- A. The assets of the Corporation shall be distributed among the Cities and the County in accordance with the percentage of each entity's contribution to the purchase of the assets of the Corporation.
- B. Any remaining liabilities of the Corporation shall be allocated as follows:
  - 1. If the liability was incurred for the benefit of fewer than all of the Cities and County, the liability shall be allocated to those Cities for whom the benefit was incurred based on the agreement of the benefited Cities; and
  - 2. If the liability was incurred for the benefit of all the Cities and County, the liability shall be based on the percentage of each City's and County's contributions to the purchase of the assets of this Corporation.
- C. Nothing in this Certificate of Formation shall prohibit the Cities and the County from agreeing to an allocation of assets and liabilities contrary to this Section 13.03, provided such an agreement is not contrary to applicable state law.

**ARTICLE XIV**  
**Amendments**

This Certificate of Formation may not be changed or amended unless approved in writing by each of the Cities and the County.

**ARTICLE XV**  
**Effective Date**

This Certificate of Formation shall be effective when fully executed and filed with the Office of the Texas Secretary of State. Each of the undersigned executes this instrument subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that he or she is authorized to execute this instrument.

**IN WITNESS WHEREOF**, we have hereunto set our hands on the dates indicated below.

**(INCORPORATOR SIGNATURES AND VERIFICATION ON FOLLOWING PAGES)**

CITY OF BALCH SPRINGS, TEXAS INCORPORATOR

*[Handwritten signature]*

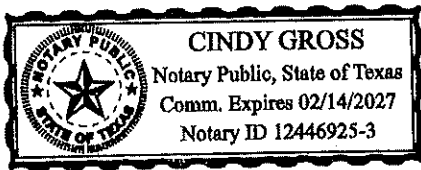
Abel Del Fierro

STATE OF TEXAS

§  
§  
§

COUNTY OF DALLAS

Before me, a notary public, on this 3rd day of January, ~~2023~~ 2024, appeared **Abel Del Fierro** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Balch Springs, Texas and the statements therein contained are true and correct.



*[Handwritten signature]*  
Notary Public, State of Texas

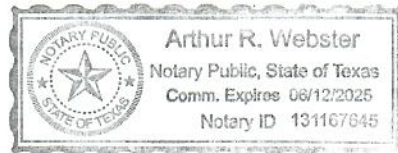
**CITY OF BALCH SPRINGS, TEXAS INCORPORATOR**

  
\_\_\_\_\_  
**Darrell Turner**

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF DALLAS**   §

Before me, a notary public, on this 7<sup>th</sup> day of December, 2023, appeared **Darrel Turner** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Balch Springs, Texas and the statements therein contained are true and correct.

  
\_\_\_\_\_  
Notary Public, State of Texas

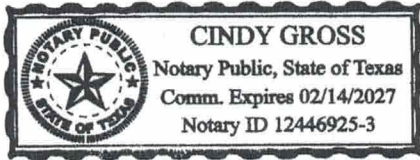


CITY OF BALCH SPRINGS, TEXAS INCORPORATOR

Katisha Bruner  
Katisha Bruner

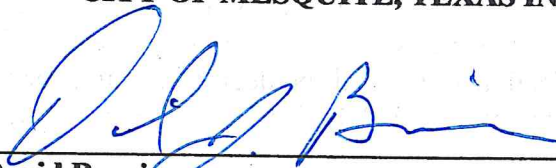
STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

Before me, a notary public, on this 5<sup>th</sup> day of December 2023, appeared **Katisha Bruner**, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Balch Springs, Texas and the statements therein contained are true and correct.



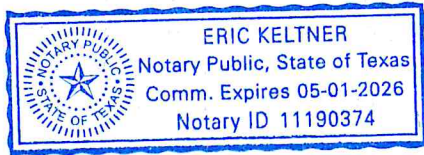
Cindy Gross  
Notary Public, State of Texas

**CITY OF MESQUITE, TEXAS INCORPORATOR**

  
\_\_\_\_\_  
**David Burris**

**STATE OF TEXAS** §  
§  
**COUNTY OF DALLAS** §

Before me, a notary public, on this 5 day of Dec., 2023, appeared **David Burris** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Mesquite, Texas and the statements therein contained are true and correct.



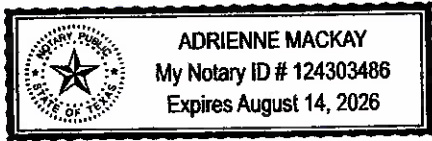
  
\_\_\_\_\_  
Notary Public, State of Texas

CITY OF MESQUITE, TEXAS INCORPORATOR

Nadine Ward  
Nadine Ward

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

Before me, a notary public, on this 1st day of December, 2023, appeared **Nadine Ward** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Mesquite, Texas and the statements therein contained are true and correct.



Adrienne Mackay  
Notary Public, State of Texas

CITY OF MESQUITE, TEXAS INCORPORATOR

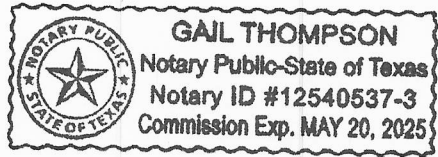
  
\_\_\_\_\_  
Tom Palmer

STATE OF TEXAS

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§  
§

COUNTY OF DALLAS

Before me, a notary public, on this 7<sup>th</sup> day of December, 2023, appeared **Tom Palmer** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Mesquite, Texas and the statements therein contained are true and correct.



  
\_\_\_\_\_  
Notary Public, State of Texas

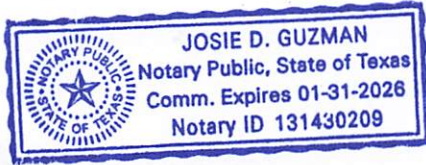


CITY OF WILMER, TEXAS INCORPORATOR

*Elizabeth Barrientos*  
\_\_\_\_\_  
Elizabeth Barrientos


STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

Before me, a notary public, on this 4<sup>th</sup> day of January, 202<sup>4</sup>, appeared **Elizabeth Barrientos**, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Wilmer, Texas and the statements therein contained are true and correct.



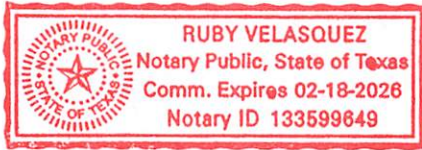
*Josie D. Guzman*  
\_\_\_\_\_  
Notary Public, State of Texas

**CITY OF WILMER, TEXAS INCORPORATOR**

  
\_\_\_\_\_  
**Laura Jacobs**

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF DALLAS**   §

Before me, a notary public, on this 4<sup>th</sup> day of December, 2023, appeared **Laura Jacobs**, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Wilmer, Texas and the statements therein contained are true and correct.



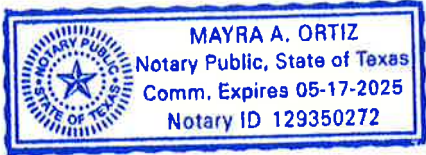
  
\_\_\_\_\_  
Notary Public, State of Texas


**CITY OF WILMER, TEXAS INCORPORATOR**

  
Jennifer Jones

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF DALLAS**   §

Before me, a notary public, on this 14<sup>th</sup> day of December, 2023, appeared **Jennifer Jones**, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he or she resides in the City of Wilmer, Texas and the statements therein contained are true and correct.



  
Notary Public, State of Texas

COUNTY OF DALLAS, TEXAS INCORPORATORS

  
\_\_\_\_\_  
Alberta Blair

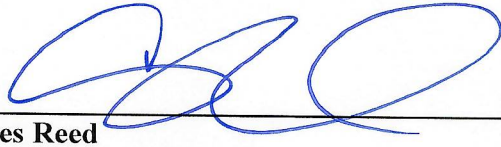
STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

Before me, a notary public, on this 1st day of December, 2023, appeared **Alberta Blair** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that she resides in Dallas County, Texas and the statements therein contained are true and correct.



  
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Notary Public, State of Texas

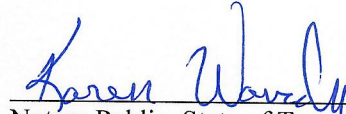
**COUNTY OF DALLAS, TEXAS INCORPORATORS**



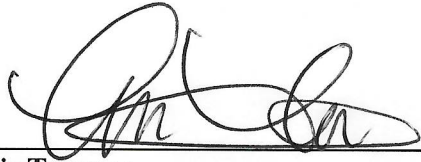
**Charles Reed**

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

Before me, a notary public, on this 5<sup>th</sup> day of December, 2023, appeared **Charles Reed** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he resides in Dallas County, Texas and the statements therein contained are true and correct.

  
\_\_\_\_\_  
Notary Public, State of Texas

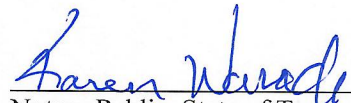
COUNTY OF DALLAS, TEXAS INCORPORATORS

  
\_\_\_\_\_  
Luis Tamayo

STATE OF TEXAS           §  
                                          §  
COUNTY OF DALLAS       §

Before me, a notary public, on this 1st day of December, 2023, appeared **Luis Tamayo** known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that he resides in Dallas County, Texas and the statements therein contained are true and correct.



  
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Notary Public, State of Texas

**EXHIBIT B**

**BYLAWS OF THE  
INLAND PORT OF DALLAS COUNTY  
LOCAL GOVERNMENT CORPORATION, INC.**

A Texas Non-Profit Local Government Corporation created by and on behalf of the City of Balch Springs, Texas; the City of Mesquite, Texas; and the City of Wilmer, Texas (collectively the “Cities” and each individually, a “City”); and Dallas County, Texas (hereinafter the “County”, together the Cities and the County are collectively referred to as “Participant Local Governments”).

**ARTICLE I  
Corporate Purpose and Authority**

**1.01 Purpose.** This Corporation is organized for the purpose of aiding, assisting, and acting on behalf of the Cities and the County in the performance of their governmental functions to promote the common good and general welfare of the Cities and County, including without limitation, participation in activities related to advertising, marketing, development, and the general welfare of the Inland Port of Dallas County, (the “Inland Port”)<sup>1</sup> and to advance efforts to improve the Inland Port’s relationship with shippers, rail, and other entities related to the development of the Inland Port. Subject to applicable state law and any contractual obligations of a City, the County, or this Corporation, a City or the County may discontinue participation in the activities of this Corporation. This Corporation, with prior consent of the Cities and County or as may be provided in these Bylaws, shall have the following powers to carry out the purposes of the Corporation, by and through its Directors:

- A. This Corporation shall also have the authority to construct, develop, own, operate, and maintain buildings and facilities needed for the proper operation of the Inland Port;
- B. This Corporation may also collect membership dues to pay for construction projects along with the acquisition of equipment;
- C. This Corporation may also perform other governmental functions as may be determined from time to time by City Councils of the Cities (the “City Councils”) and the Dallas County Commissioners Court (the “Commissioners Court”);
- D. Appoint an Executive Director and employ persons to carry out the purposes of this Corporation;
- E. Appoint a Secretary for this Corporation;
- F. Issue debt or enter into and administer other contractual obligations to carry out the purposes of this Corporation;
- G. Own, lease, maintain, and dispose of real and personal property;
- H. Contract with other political subdivisions and any other governmental units or agencies at the local, state, and federal levels of government, and other persons and non-governmental entities; and

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<sup>1</sup> “Inland Port of Dallas County” or “Inland Port” consists of the unincorporated Dallas County and the cities of Dallas, Desoto, Hutchins, Lancaster, and Wilmer. The Inland Port neighboring cities consist of Cedar Hill, Duncanville, Balch Springs, Mesquite, and Seagoville. Interstate Highways 20 (East / West) and 45 (North / South) cross through the heart of the Port and the proposed Loop 9 (East / West) is at its southern tip.

- I. The Corporation shall have the power to request and accept any appropriations, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision in the State, or from any other source.

**1.02 Local Government Corporation.** This Corporation is formed pursuant to the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the “Act”), as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes this Corporation to assist and act on behalf of the Cities and County and to engage in activities in the furtherance of the purposes for its creation.

**1.03 Non-Profit Corporation.** This Corporation shall have and exercise all the powers, rights, privileges, and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation, the Texas Nonprofit Corporation Law (Tex. Bus. Org. Code, Chapters 20 and 21 and the provisions of the Title I thereof to the extent applicable to non-profit corporations, as amended) or their successor.

**1.04 Powers of Non-Profit Corporation.** This Corporation shall have all the powers of a like or different nature not prohibited by law which are available to non-profit corporations in Texas and which are necessary and useful to enable this Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created; provided, however, that this Corporation shall not issue any bond, certificate, note or other obligation evidenced by an instrument without the prior written consent of each of the City Councils and the Commissioners Court or as otherwise allowed by these Bylaws.

**1.05 Governmental Immunity.** This Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of this Corporation are governmental and not proprietary functions for all purposes, including for the purposes of the Texas Tort Claims Act, Section 101.001, et seq., Texas Civil Practice and Remedies Code. This Corporation shall have the power to acquire land in accordance with the Act as it is amended from time to time.

**1.06 Consent.** References herein to the consent or written consent of a City or the County shall refer to an ordinance, resolution, or order of the governing body of the City or County.

**1.07 Contracting Authority.** This Corporation may contract with non-member governmental units, individuals, private corporations and companies, and professionals and enter into contracts with the same.

**1.08 Approved Projects.** This Corporation, by and through its Board of Directors, may approve capital improvements, services, or other projects consistent with the purposes of this Corporation to assist the Cities and the County in the performance of their governmental functions for the development and maintenance of the Inland Port of Dallas County (each an “Approved Project”). Each City and the County shall have the right to elect not to participate in any Approved Project and such City or County shall not be responsible for funding such Approved Project through any



required contribution agreement. This Corporation will not participate in any projects under Chapter 394 of the Local Government Code.

## **ARTICLE II Board of Directors**

**2.01 Powers Vested in the Board.** All powers of this Corporation shall be vested in a Board of Directors consisting of six (6) members (the “Board”) subject to the oversight of the Cities and County and as otherwise provided by these Bylaws. The qualification, selection, terms, removal, replacement, and resignation of the members of the Board of Directors of this Corporation (“Director” or “Directors”) shall be governed by Article VI of the Certificate of Formation (“Certificate”).

**2.02 Initial Board and Transition.** The initial Directors of the Corporation shall be those persons named in Article VIII of the Certificate. With respect to the initial Board, the terms of the initial Directors shall commence on the date the Secretary of State has issued the certificate of incorporation for this Corporation and expire on December 31, 2024. Upon expiration of the terms of office of the initial Directors, the subsequent directors shall be appointed for a three (3) year term, or until their successor is appointed by the entity authorized to appoint the Director; provided, however, upon the death, resignation or removal of a Director, the entity responsible for that Director’s appointment shall appoint a replacement Director to serve for the unexpired term of office of the replaced Director.

**2.03. Specifically Required Legal Compliance.** The Cities and County expressly require the Board of Directors to Comply with good faith competitive bid requirements of the Cities and County for all contracts greater than \$15,000 for the total life-span of the contractual engagement; unless exempted by law; for personal services, real estate, or operations of a port facility under a specific agreement for a limited time; or insurance; or if the Board determines delay would prevent or impair the operation of the Dallas County Inland Port. Further, the meetings of the Board of Directors or any committee thereof shall be subject to all requirements of the Texas Open Meetings Act. Additionally, the Board of Directors and this Corporation shall comply with the Texas Public Information Act.

**2.04 Governing Documents.** All other matters pertaining to the internal affairs of the Corporation shall be governed by these Bylaws, so long as these Bylaws are not inconsistent with the Certificate, and such other documents agreed to by the Cities and the County and as the same may be amended from time to time, or the laws of the State of Texas.

**2.05 Voting Rights.** All Directors shall have full and equal voting rights. All references herein to an act, resolution, or vote of the Directors shall refer to a vote of the Directors entitled to vote on the matter provided herein.

**2.06. Notice of Meetings of the Board.** The Board shall meet in accordance with and post notice of each meeting of the Board in accordance with Chapter 551 of the Texas Government Code (the “Open Meetings Act”). The notice of the meeting of the Board of Directors shall be posted on the

official bulletin board and website of the Cities and the County where Open Meetings Act notices are designated to be posted.

**2.07 Annual Meetings.** The annual meeting of the Board shall be held at the time and location in Dallas County, Texas, designated by the resolution of the Board for the purposes of electing officers and transacting any other such business as may be related to the Corporation.

**2.08 Regular Meetings.** Regular meetings of the Board shall be held at least quarterly at such times and places as shall be designated, from time to time, by resolution of the Board; provided, however, in the absence of any such determination, such place shall be the registered office of the Corporation in the State of Texas. The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required under Chapter 551, Texas Government Code (the "Open Meetings Act").

**2.09 Special and Emergency Meetings.** Special and emergency meetings of the Board shall be held whenever called by the Chairperson or by any four (4) of the Directors who are serving duly appointed terms of office at the time the meeting is called. A majority of the Board must be present for any special called or emergency meeting. The Secretary shall give notice of each special meeting in person, by telephone, electronic transmission (e.g., facsimile transmission or electronic mail), or mail at least three (3) days before the meeting to each Director and the public in compliance with the Open Meetings Act. Notice of each emergency meeting shall also be given in the manner required under Chapter 551, Texas Government Code (the "Open Meetings Act"). For purposes of these Bylaws, an "emergency meeting" is a meeting of the Board to consider a circumstance that, in the absence of immediate action by the Board, may have a material, adverse impact upon the Corporation or the Inland Port. The person(s) calling the special or emergency meeting shall provide the Secretary of the Corporation with a statement of the reason(s) for the meeting, which statement shall be included in the notice of the meeting. The agenda notice of the emergency meeting must be posted at least two (2) hours before the meeting and clearly identify the emergency or urgent public necessity. The Chairperson or the Board member who calls an emergency meeting must notify by telephone, facsimile transmission, or electronic mail not later than one hour before the meeting those members of the news media that have previously filed at the Corporation a request containing all pertinent information for the special notice and has agreed to reimburse the Board for the cost of providing the special notice.

**2.10. Election of Chair and Vice-Chair of the Board.** Upon the initial meeting of the Board and at the last regular meeting of the Board occurring prior to October 1 of each calendar year thereafter, the Directors shall elect a Chair and Vice-Chair from among the members of the Board who will serve as Chair and Vice-Chair, respectively, for the period of October 1 until September 30 immediately following their election, and until their replacements are elected.

**2.11 Quorum and Acts of Corporation.** A quorum for a meeting and action of this Corporation shall be a simple majority of the Board of Directors. If at any meeting of the Board, there is less than a quorum present, the business of the Board shall not be conducted. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the vote of a greater number of Directors is required by law, by the Certificate of Formation, or by these Bylaws

**2.12 Conduct of Business.** At the meetings of the Board, the Chairperson shall preside and in the absence of the Chairperson, the Vice-Chairperson shall preside. The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the Executive Director shall appoint a temporary Secretary for the meeting.

**2.13 Compensation of Directors.** Directors, as such, shall receive no salary or compensation for their services as Directors; provided, however, Directors may be reimbursed for reasonable and necessary expenses incurred in carrying out the Corporation's purposes.

**2.14 Hiring of Professionals.** The Board may employ or contract for services with attorneys, auditors, certified accountants, engineers, and such other professionals and consultants as may be required for the purposes of the Corporation from time to time.

**2.15 Prohibited Contracting.** No Director or any other employee of this Corporation shall have an interest in any contract being considered or executed by this Corporation that would allow monetary compensation or any other thing of value to be received by the Director or employee other than reimbursement of expenses provided by these Bylaws or permitted by law.

**2.16 Executive Director.** The Board is authorized to retain an Executive Director who shall serve at the pleasure of the Board. The Executive Director shall be the chief executive officer of the Corporation and shall have the duties and powers as set forth in Article V of these Bylaws. The Board shall establish the compensation of the Executive Director and may establish duties and responsibilities of the Executive Director in addition to those prescribed by Article V of these Bylaws. The retention and/or removal of the Executive Director shall be by a majority vote of the entire Board.

**2.17 Attorneys and Consultants.** The Board may employ attorneys, auditors, certified accountants, engineers, and such other professionals and consultants as may be required for the purposes of the Corporation from time to time.

**2.18 Access to Records of Corporation.** Notwithstanding the provisions of the Public Information Act or any exceptions contained therein to disclosure and the rights or limitations thereof regarding the review of records of Texas non-profit corporations, the Participant Local Governments shall have a special right to review and obtain copies of the records of the Corporation, regardless of format, upon reasonable notice and during regular business hours of the Corporation; provided, however, such special right of access to the Participant Local Governments shall not apply to records to which law or regulation expressly prohibit disclosure to third parties that would by definition include the Participant Local Governments.

**2.19 Amendment of the Bylaws.** A proposal to alter, amend, or repeal these Bylaws shall be made by the affirmative vote of a majority of the full Board at any meeting if notice of the proposed amendment is contained in the notice of said meeting. However, any proposed change or amendment to the Bylaws must be approved by the City Councils of each City and the Commissioners Court of Dallas County to be effective.

## ARTICLE III Officers

**3.01 Titles and Term of Office.** The officers of the Corporation shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer, and such other officers as the Board may from time to time appoint. Each officer shall be a current Director. One person may hold more than one office, except the Chairman shall not hold the office of Secretary. The term of office for each officer shall be one (1) year and shall serve from January 1 through the following December 31, except that such office shall terminate on the earlier of (a) the date that the officer is replaced by the Board; or (b) the date that the officer is no longer a member of the Board. All officers may serve successive terms. All officers shall be appointed and subject to removal at any time, with or without cause, by a majority vote of the Board. A vacancy in any office shall be filled by a vote of the Board. A vacancy in any office elected pursuant to this Article III shall be filled by a vote of a majority of the entire Board and shall be for the remainder of the then current term of office vacated.

**3.02 Powers and Duties of the Chairman.** The Chairman shall be a member of the Board and shall preside at all meetings of the Board. Such person shall have such duties as are assigned by the Board. The Chairman may call special or emergency meetings of the Board. Any special or emergency called meeting shall be called and conducted in accordance with Section 2.09 of these Bylaws. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Certificate, the Chairman may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts, and other obligations in the name of the Corporation.

**3.03 Powers and Duties of the Vice Chairman.** The Vice Chairman shall be a member of the Board and shall have such powers and duties as may be assigned to such person by the Board or the Chairman, including the performance of the duties of the Chairman upon the death, absence, disability, or resignation of the Chairman, or upon the Chairman's inability to perform the duties of such office.

**3.04 Treasurer.** The Treasurer shall have custody of all the funds and securities of the Corporation which come into possession of the Corporation. When necessary or proper, the Treasurer (i) may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; (ii) may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such other officer as is designated by the Board; (iii) shall enter or cause to be entered regularly in the books of the Corporation to be kept by such person for that purpose full and accurate accounts of all moneys received and paid out on account of the Corporation; (iv) shall perform all acts incident to the position of Treasurer subject to the control of the Board, including the monitoring and audit of all cash accounts whose existence must first be approved by the Board; and (v) shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require. The Treasurer, with the consent of the Board, may designate one or more individuals to perform the duties of receiving and disbursing funds of the Corporation, including having signatory authority on the Corporation's demand accounts. The Corporation may contract with one or more of the Participant Local Governments to provide financial services for the Corporation in deciding the performance of the duties of the Treasurer set forth in Section 3.04.

**3.05 Secretary.** The Secretary (i) shall keep the minutes of all meetings of the Board in books provided for that purpose; (ii) shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) in furtherance of the purposes of the Corporation and subject to the limitations contained in the Certificate of Formation, may sign with the Chairman in the name of the Corporation and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; (iv) shall have charge of the Corporation's books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer 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 upon application at the office of the Corporation during business hours; and, (v) shall in general perform all duties incident to the office of Secretary subject to the control of the Board. Nothing in this Section 3.05 shall be construed as prohibiting the Board or the Executive Director from providing to the Secretary such support as may be reasonable and necessary to assist the Secretary in carrying out the duties set forth herein.

**3.06 Compensation.** Officers shall serve without compensation for their duties but are entitled to receive reimbursement for their reasonable expenses only in performing their functions in accordance with any policies that may be adopted by the Board.

#### **ARTICLE IV Financial Matters**

**4.01 Fees and Charges.** The Board of Directors may prescribe fees and charges to be collected for the use of land, improvements, and facilities of this Corporation.

**4.02 Exemption from Taxes.** Any property, purchases, revenues, and income of this Corporation are tax-exempt.

**4.03 Annual Budget and Fiscal Year.** The Board shall adopt an annual budget and determine their fiscal year.

(a) Prior to the beginning of each fiscal year, the Board or the Executive Director (if the Corporation has retained an Executive Director) shall prepare, or cause to be prepared, a budget (the "Budget") for the fiscal year. The Board shall approve the Budget no later than thirty (30) days prior to the beginning of each fiscal year.

(b) The Budget shall, at a minimum, include capital, operational, debt service, and project-specific expenditures and corresponding revenues. The Budget shall clearly indicate the sources and purposes of revenues.

(c) If the Board fails to approve the Budget by the first day of the fiscal year, then the Budget for the prior fiscal year shall be deemed approved until such time as the Board approves a new Budget.

(d) The fiscal year of the Corporation shall begin January 1, of each year.

**4.04 Capital Spending Authority.** The Board may expend funds for any authorized purpose of this Corporation.

**4.05 Audit.** Not later than one hundred twenty (120) days after the close of each fiscal year, the Board shall have an annual audit prepared by an independent auditor who is duly licensed or certified as public accountant in the State of Texas of the financial books and records of the Corporation. The Corporation shall provide a copy of the completed audit to each City and the County not later than fifteen (15) days after its receipt by the Corporation.

**4.06 Appropriations and Grants.** The Corporation shall have the power to request and accept any appropriations, grants, contribution, donations, or other form of aid from the federal government, the State, any political subdivision in the State, or from any other source.

## **ARTICLE V Executive Director; Employees**

### **5.01 Powers and Duties of the Executive Director.**

(a) Chief Executive. The Executive Director shall be the chief executive officer of the Corporation and, subject to the control of the Board, shall be in general charge of the properties and affairs of the Corporation. The Executive Director has management and control of the properties and operations of the Corporation, including the powers of a general manager. The Executive Director shall be an ex-officio member of all Board committees, except any committee charged with financial oversight of the Corporation, such as an audit committee. The Executive Director will be responsible for implementing all orders and resolutions of the Board, and all other powers that are not specifically reserved to the Directors or Participant Local Governments will be executed by the Executive Director within the general guidelines and policies of the Board and Participant Local Governments.

(b) Responsible for hiring and supervision of Employees. The Executive Director shall be responsible for hiring and terminating the employees of the Corporation. All employees hired by the Executive Director shall be terminable at-will and not be provided any term or promise of continued employment.

(c) Spending Authority. The Executive Director is authorized to approve expenditures, make purchases, and enter into contracts on behalf of the Corporation which require an expenditure not to exceed \$50,000 without Board approval as long as funds are budgeted and are available for the expenditure.

(d) Annual Budget. The Executive Director is responsible for the preparation of the Corporation's annual budget.

### **5.02 Corporation Employees.**

(a) The Board may employ or contract with a person or entity as an independent contractor to serve as an Executive Director. The Executive Director shall be terminable at-will and not be provided any term or promise of continued employment.

(b) The Corporation may contract with any one or more of the Participant Local Governments for utilization of employees of such Participant Local Governments. The

Corporation may, with or without compensation, use the services of employees of a Participant Local Government with the prior written consent of the applicable Participant Local Government's governing body. The Board is authorized to employ or contract for project-specific personnel to manage or operate a service provided by the Corporation.

## **ARTICLE VI Director Liability**

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as Director, except for liability (i) for act or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (ii) for any transaction from which the Director received an improper or unethical benefit as determined by the law, orders, ordinances, and policies applicable to the Director's appointing entity, whether or not the benefit resulted from an act taken within the scope of the Director's office; or (iii) for any acts of omissions for which the liability of a Director is expressly provided by statute. Any repeal or amendment of this Article by the Directors shall be prospective only and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by Texas law.

## **ARTICLE VII Seal and Tradename**

**7.01 Seal.** The Seal of this Corporation shall be approved by the Board of Directors and changed from time to time. The Seal of this Corporation shall not be required to be placed on a document in order for the document to be considered a valid act or agreement of this Corporation.

**7.02 Tradename.** The Board of Directors may adopt, use, and alter the trade name for this Corporation by a simple majority vote.

**7.03 Supremacy of Certificate of Formation.** These Bylaws are subject to and governed by the Certificate of Formation.

## **ARTICLE VIII CODE OF ETHICS**

### **8.01 Policy and Purposes.**

(a) It is the policy of the Corporation that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that the Board establish policies to control and manage the affairs of the Corporation fairly, impartially, and without discrimination.

(b) This Code of Ethics has been adopted as part of the Corporation's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers, and (b) to establish guidelines for such ethical standards of conduct.

## **8.02 Conflicts of Interest**

(a) *Abide by State Civil and Criminal Laws for Public Officers.* All Directors, Officers, and employees shall abide by the state civil and criminal laws regarding conflict of interest, official misconduct, and other regulations and restrictions involving their official duties.

(b) *Disclosure and Abstention.* It is the intent of these Bylaws that the Directors, Executive Director, and Officers shall take all steps to avoid the appearance of impropriety in the conduct of their affairs on behalf of the Corporation. This includes not engaging in any conduct or business that may be deemed to compromise their independent judgment in executing their duties as Corporation officials. In the event a Director, Officer or Executive Director has a substantial interest in a transaction that comes before the Board, the affected Director must:

- (i) disclose that interest in writing and file it with the Secretary; and
- (ii) refrain from discussing or voting on the same.

(c) *Restrictions on Executive Director.* The Executive Director is precluded from having any financial or equitable interest in any contract, service (other than such person's employment), or acquisition that is subject to the Executive Director's approval or that the subordinates of the Executive Director may approve or monitor.

(d) *Definition of Substantial Interest.* A Director has a substantial interest in real property if the interest of the Director or their relative related within the first degree of consanguinity or affinity to the Director is an equitable or legal ownership with a fair market value of \$2,500 or more. A Director has a substantial interest in a business entity if the Director or their relative related within the first degree of consanguinity or affinity to the Director:

- (i) owns 10 percent or more of the voting stock or shares of the business entity or owns either 10 percent or more or \$15,000 or more of the fair market value of the business entity; or
- (ii) funds received by the person from the business entity exceed 10 percent of the person's gross income for the previous year.

(e) The status of the person being an elected official or employee of a public entity does not create a substantial interest in the public entity.

**8.03 Acceptance of Gifts.** No Director or Officer, nor the Executive Director, shall accept any benefit as consideration for any decision, opinion, recommendation, vote, or other exercise of discretion in carrying out official acts for the Corporation. No Director or Officer, nor the Executive Director, shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim, or transaction involving the exercise of the Director's or Officer's, or the Executive Director's, discretion. As used here, "benefit" does not include:

(a) a fee prescribed by law to be received by a Director or Officer or Executive Director or any other benefit to which the Director or Officer or Executive Director is lawfully entitled or for



which he gives legitimate consideration in a capacity other than as a Director or Officer or Executive Director.

(b) a gift or other benefit conferred on an account of kinship or a personal, professional, or business relationship independent of the official status of the Director or Officer or Executive Director.

(c) One or more gifts, including food and beverages accepted as a guest, that in total do not exceed \$100 in value in any 12-month period.

**8.04 Nepotism.** No Director, Officer, or Executive Director shall appoint, vote for, or confirm the appointment to any office, position, clerkship, employment, or duty, of any person related within the second degree by affinity or within the third degree of consanguinity to the Director or Officer so appointing, voting or confirming, or to any other Director or Officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship employment, or duty at least thirty (30) days prior to the appointment of the Director or Officer so appointing or voting.

**Effective Date.** These Bylaws shall be effective upon adoption by an affirmative vote of a majority of the directors at a meeting of the Board, provided that notice of the proposed adoption shall have been received by each director at least five (5) business days before the said meeting.

**Approved by the Board of Directors of the Inland Port Dallas County Local Government Corporation Inc., on \_\_\_\_\_, 2024.**