

LOCAL GOVERNMENT CODE

TITLE 12. PLANNING AND DEVELOPMENT

SUBTITLE A. MUNICIPAL PLANNING AND DEVELOPMENT

CHAPTER 377. MUNICIPAL DEVELOPMENT DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 377.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of a municipal development district.

(2) "District" means a municipal development district created under this chapter.

(3) "Development project" means:

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

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

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 1, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.23, eff. April 1, 2009.

Sec. 377.002. SCOPE. (a) A municipality may create a district as provided in this chapter in:

(1) all or part of the boundaries of the municipality;

(2) all or part of the boundaries of the municipality and all or part of the boundaries of the municipality's extraterritorial jurisdiction; or

(3) all or part of the municipality's extraterritorial jurisdiction.

(b) The municipality may include territory outside of the municipality only to the extent that territory is in the municipality's extraterritorial jurisdiction.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 20, Sec. 1, eff. May 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 2, eff. September 1, 2005.

Sec. 377.003. CONSTITUTIONAL PURPOSE. This chapter creates a program under Section 52-a, Article III, Texas Constitution.

Added by Acts 2005, 79th Leg., Ch. 232, Sec. 3, eff. September 1, 2005.

#### SUBCHAPTER B. MUNICIPAL DEVELOPMENT DISTRICT

Sec. 377.021. CREATION. (a) A municipality may call an election on the question of creating a municipal development district under this chapter to plan, acquire, establish, develop, construct, or renovate one or more development projects beneficial to the district.

(b) The order calling the election must:

- (1) define the boundaries of the district; and
- (2) call for the election to be held within those

boundaries.

(c) The ballot at an election held under this section must be printed to permit voting for or against the proposition: "Authorizing the creation of the \_\_\_\_ Municipal Development District (insert name of district) and the imposition of a sales and use tax at the rate of \_\_\_\_ of one percent (insert one-eighth, one-fourth, three-eighths, or one-half, as appropriate) for the purpose of financing development projects beneficial to the district."

(d) The district is created if a majority of the registered voters of the proposed district voting at the election favor creation of the district.

(e) If a majority of the registered voters of the proposed

district voting at the election to create the district vote against creation of the district, the municipality may not hold another election on the question of creating a municipal development district before the first anniversary of the most recent election concerning creation of a district.

(f) The Election Code governs an election held under this chapter.

(g) In the order calling the election, the municipality may provide for the district boundaries to conform automatically to any changes in the boundaries of the portion of the municipality or the municipality's extraterritorial jurisdiction included in the district, and the election shall be held on one of the four uniform election dates under Section 41.001, Election Code.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 20, Sec. 2, eff. May 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 4, eff. September 1, 2005.

Sec. 377.022. POLITICAL SUBDIVISION; OPEN MEETINGS. (a) A district is a political subdivision of this state and of the municipality that created the district.

(b) A district is subject to Chapter 551, Government Code.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 5, eff. September 1, 2005.

#### SUBCHAPTER C. BOARD OF DIRECTORS

Sec. 377.051. COMPOSITION AND APPOINTMENT OF BOARD. (a) A district is governed by a board of at least four directors.

(b) The board is appointed by the governing body of the municipality that created the district.

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

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

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 6, eff. September 1, 2005.

Sec. 377.052. COMPENSATION. A board member is not entitled to compensation, but is entitled to reimbursement for actual and necessary expenses.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.053. MEETINGS. The board shall conduct its meetings in the municipality that created the district.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 232, Sec. 7, eff. September 1, 2005.

Sec. 377.054. OFFICERS. The board shall designate from the members of the board a presiding officer, a secretary, and other officers the board considers necessary.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

#### SUBCHAPTER D. POWERS AND DUTIES

Sec. 377.071. GENERAL POWERS OF DISTRICT. (a) A district may:

(1) perform any act necessary to the full exercise of the district's powers;

(2) accept a grant or loan from a:

(A) department or agency of the United States;

(B) department, agency, or political subdivision of this state; or

(C) public or private person;

(3) acquire, sell, lease, convey, or otherwise dispose of property or an interest in property, including a development project, under terms and conditions determined by the district;

(4) employ necessary personnel; and

(5) adopt rules to govern the operation of the district and its employees and property.

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

(1) plan, acquire, establish, develop, construct, or renovate a development project; or

(2) perform any other act the district is authorized to perform under this chapter.

(c) A district may not levy an ad valorem tax.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.072. DEVELOPMENT PROJECT FUND. (a) A district shall establish by resolution a fund known as the development project fund. The district may establish separate accounts within the fund.

(b) The district shall deposit into the development project fund:

(1) the proceeds from any sales and use tax imposed by the district;

(2) all revenue from the sale of bonds or other obligations by the district; and

(3) any other money required by law to be deposited in the fund.

(c) Except as provided by Subsection (d), the district may use money in the development project fund only to:

(1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects in the district;

(2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or to refund bonds or other obligations; or

(3) pay the costs of operating or maintaining one or more

development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

(d) A district located in a county with a population of 3.3 million or more may use money in the development project fund only to:

(1) pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects beneficial to the district if the projects are in the district boundaries or the extraterritorial jurisdiction of the municipality where the district is located;

(2) pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the district or to refund bonds or other obligations; or

(3) pay the costs of operating or maintaining one or more development projects during the planning, acquisition, establishment, development, construction, or renovation or while bonds or other obligations for the planning, acquisition, establishment, development, construction, or renovation are outstanding.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 911, Sec. 1, eff. June 18, 2005.

Sec. 377.073. BONDS AND OTHER OBLIGATIONS. (a) A district may issue bonds, including revenue bonds and refunding bonds, or other obligations to pay the costs of a development project.

(b) The bonds or other obligations and the proceedings authorizing the bonds or other obligations shall be submitted to the attorney general for review and approval as required by Chapter 1202, Government Code.

(c) The bonds or other obligations must be payable from and secured by the revenues of the district.

(d) The bonds or other obligations may mature serially or otherwise not more than 30 years from their date of issuance.

(e) The bonds or other obligations are not a debt of and do not create a claim for payment against the revenue or property of the

district other than a development project for which the bonds are issued.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.  
Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.339, eff. Sept. 1, 2001.

Sec. 377.074. PUBLIC PURPOSE OF PROJECT. (a) The legislature finds for all constitutional and statutory purposes that a development project is owned, used, and held for public purposes by the district.

(b) Section 25.07(a), Tax Code, does not apply to a leasehold or other possessory interest granted by the district while the district owns the development project.

(c) The development project is exempt from taxation under Section 11.11, Tax Code, while the district owns the project.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

#### SUBCHAPTER E. SALES AND USE TAX

Sec. 377.101. SALES AND USE TAX. (a) A district by order may impose a sales and use tax under this subchapter.

(b) A district may impose a tax under this subchapter only if the tax is approved at an election held under Section 377.021.

(c) A district may not adopt a sales and use tax under this subchapter if the adoption of the tax under this subchapter would result in a combined tax rate of all local sales and use taxes of more than two percent in any location in the district.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.102. TAX CODE APPLICABLE. (a) Chapter 323, Tax Code, governs the imposition, computation, administration, collection, and remittance of a tax authorized under this subchapter except as inconsistent with this subchapter.

(b) Section 323.101(b), Tax Code, does not apply to the tax authorized by this subchapter.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.103. TAX RATE. The rate of a tax adopted under this subchapter must be one-eighth, one-fourth, three-eighths, or one-half of one percent.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.104. REPEAL OR RATE CHANGE. (a) A district that has adopted a sales and use tax under this subchapter may by order and subject to Section 377.101(c), change the rate of the tax or repeal the tax if the change or repeal is approved by a majority of the registered voters of that district voting at an election called and held for that purpose.

(b) The tax may be changed under Subsection (a) in one or more increments of one-eighth of one percent to a maximum of one-half of one percent.

(c) The ballot for an election to change the tax shall be printed to permit voting for or against the proposition: "The adoption of a sales and use tax at the rate of \_\_\_\_ of one percent (insert one-fourth, three-eighths, or one-half, as appropriate)."

(d) The ballot for the election to repeal the tax shall be printed to permit voting for or against the proposition: "The repeal of the sales and use tax for financing development projects in the \_\_\_\_\_ Municipal Development District (insert name of district)."

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.105. IMPOSITION OF TAX. (a) If the district adopts the tax, a tax is imposed on the receipts from the sale at retail of taxable items in the district at the rate approved at the election.

(b) There is also imposed an excise tax on the use, storage, or other consumption in the district of tangible personal property purchased, leased, or rented from a retailer during the period that the tax is effective in the district. The rate of the excise tax is the same as the rate of the sales tax portion of the tax and is applied to the sale price of the tangible personal property.



Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.106. EFFECTIVE DATE OF TAX. Except as provided by Section 377.107, the adoption of the tax, the change of the tax rate, or the repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date on which the comptroller receives a notice of the results of the election adopting, changing, or repealing the tax.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.107. COLLECTION OF TAX TO PAY BONDS OR OTHER OBLIGATIONS. (a) If the district votes to repeal the sales and use tax under Section 377.104, and the district had issued bonds or incurred other obligations secured by the tax before the date of the election, the district shall continue to collect the tax until the bonds or other obligations are paid.

(b) The district shall immediately notify the comptroller when the bonds or other obligations have been paid.

(c) The repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date on which the comptroller receives the notice under Subsection (b).

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

Sec. 377.108. DEPOSIT OF TAX REVENUES. Revenue from the tax imposed under this subchapter shall be deposited in the development project fund of the district imposing the tax.

Added by Acts 1997, 75th Leg., ch. 529, Sec. 1, eff. Sept. 1, 1997.

**EXHIBIT A**  
**ROCKDALE MUNICIPAL DEVELOPMENT DISTRICT**  
**BYLAWS**

ARTICLE I

OFFICE, AGENT, PURPOSE, POWERS

SECTION 1. REGISTERED OFFICE AND REGISTERED AGENT

The Rockdale Municipal Development District (the "District") shall have and continuously maintain in the City of Rockdale (the "City"), a registered office, which registered office shall be the depository for all records of the district, and a registered agent whose office is identical with such registered office. The Registered Agent for the District shall be the District's Director of Economic Development. The registered office of the District shall be 134 N. Main St., Rockdale, Texas 76567, with a mailing address of Post Office Box 1196, Rockdale, TX 76567.

SECTION 2. PURPOSE

The District is a political subdivision of the State of Texas and the City for the purposes set forth in the Bylaws, the same to be accomplished on behalf of the City as its duly constituted authority and instrumentality in accordance with Chapter 377 of the Texas Local Government Code (the "Act") and other applicable laws. The District was established for the purpose of developing and financing all permissible projects prescribed by the Act.

SECTION 3. POWERS

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

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. NUMBER AND TERM OF OFFICE

- A. The property and affairs of the District shall be managed and controlled by the Board and subject to the restrictions imposed by law and these bylaws. The Board shall exercise all of the powers of the District.
- B. The Board shall consist of seven (7) Directors, each of whom shall be appointed by the City Council of the City. Each of the Directors shall be a resident for at least 12 consecutive months prior to appointment within one of the following areas:
  - 1. Those tracts of land and or acreage within the city limits of the City of Rockdale, Milam County, Texas; or
  - 2. All of the territory outside of the city limits of Rockdale, Texas but only to the extent that territory is in the City of Rockdale, Texas' extraterritorial jurisdiction; or
  - 3. All of the territory outside of the city limits of Rockdale, Texas but only to the extent that territory is in the Rockdale Independent School District.

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- C. Directors serve staggered two-year terms. Directors shall be appointed annually as required during the month of September.
- D. Each Director shall complete a course of training of not less than one hour regarding the responsibilities of the District and no less than four hours regarding Chapter 551, Government Code, The Texas Open Meeting Act, aka "TOMA," not later than the 90th day after the date the Director takes the oath of office.
- E. A director may be removed by the appointing municipality at any time without cause. Successor directors are appointed in the same manner as the original appointees.
- F. Should a Director not attend three (3) regularly scheduled consecutive meetings without an excused absence, the President shall report these unexcused absences to the City Council and request that the Director be removed and replaced by another appointment.

### SECTION 2. VACANCIES AND RESIGNATIONS

- A. A vacancy in any position of Director which occurs by reason of death, resignation, disqualification, removal or otherwise shall be filled by the City Council for the remainder of the term in the same manner as the original Director.
- B. A Director may resign at any time. Such resignation shall be made in writing, addressed to the President of the Board and the City Mayor, with a copy to the Director of Economic Development, and shall take effect at the time specified therein, or if no time is specified, at the time of its receipt by the President of the Board.

### SECTION 3. MEETINGS AND DIRECTORS

- A. A Director is required to take an oath of office to assume the duties on the Board of Directors.
- B. The Board will meet at least once each month at a location and time to be determined by the President of the Board. The President, or upon the President's incapacity, the Vice President, may call special meetings of the Board of Directors at such times as may be required.
- C. Notice of all meetings of the Board of Directors, or of a committee, shall be provided in accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.
- D. Any member of the Board of Directors of the District may have an item placed on the Agenda of a meeting by delivery, in writing (electronic or hard copy), of the proposed Agenda item to the President or Director of Economic Development no less than seven (7) calendar days prior to the date of the proposed meeting.
- E. In the event that the entire MDD Board is recalled by the City Council, a Special Meeting of the MDD Board may be called by any of the newly appointed MDD Board members or by the City Council in order to elect officers for the MDD Board and to conduct necessary MDD business in a timely fashion.

### SECTION 4. QUORUM

A quorum shall consist of a majority of the total number of members, which includes the vacancies that may exist. A quorum shall be present for the conduct of the official business of the District. The act of a majority of the Directors at a meeting at which a quorum is in attendance shall constitute an action of the board and of the District.

### SECTION 5. COMPENSATION OF DIRECTORS

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- A. The Directors, including the President, Vice-President, Secretary and Treasurer shall not receive any salary or compensation for their services; however, Directors are entitled to reimbursement for their actual and necessary expenses incurred in the performance of their duties with Board approval. Itemized receipts shall be provided with reimbursement request.
1. Expenses hereunder, including, but not limited to, the cost of travel, lodging and incidental expenses reasonably related to the duties of the Board.
  2. Receipts must be submitted to the Treasurer within 30 calendar days for approval by the MDD Board President prior to any reimbursement being made and, by clear implication, must be verified as to whether the expenses qualify as District-related expenses.
  3. The Board has authority to determine whether Board Member expenses are necessary and incurred in the performance of their duties: see, Bylaws, Article III, section 8. Any reimbursed funds that the Board determines has not been necessary and incurred in the performance of Board duties shall be returned to the MDD in no less than 10 business days.
- B. Travel expenses incurred by Directors for both regular and special meetings are not eligible for reimbursement.

### SECTION 6. COMMITTEES AND SUBCOMMITTEES

The Board of Directors shall create any committee or subcommittee by way of resolution. Any meeting of a District committee or subcommittee shall be governed by the Texas Open Meetings Act, Tex. Gov't Code, Chapter 551.

## ARTICLE III

### OFFICERS

#### SECTION 1. TITLES AND TERM OF OFFICE

The Board of Directors shall choose from its members a President and a Vice President. The Board of Directors shall also choose a Secretary and a Treasurer who shall be members of the Board of Directors. Officers shall serve for terms of one (1) year, or until their successors are elected.

#### SECTION 2. POWERS AND DUTIES OF THE PRESIDENT

The President shall be the Chief Executive Officer of the District, and shall, subject to the authority of the Board, preside at all meetings of the Board, and absent any different designation by the majority of the Board, shall sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages and notes in the name of the District. In addition, the President shall:

- A. Call both regular and special meetings of the Board and establish the agenda for such;
- B. Have the right to vote on all matters coming before the Board;

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- C. Perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.
- D. Appear before the City Council, or be represented by a designee, periodically to give a report on the status of the activities of the District; and
- E. Appear before the City Council, or be represented by a designee, regarding any item being considered by the City Council concerning the District.

### SECTION 3. VICE-PRESIDENT

The Vice-President shall exercise the powers of the President during that officer's absence or inability to act. The Vice-President shall also perform other duties as from time to time may be assigned by the President or the Board.

### SECTION 4. SECRETARY

The Secretary shall insure that: the minutes of the Board and its committees are recorded and retained as records of the District, all notices are posted and served as required by law, the books, records and all documents and instruments are open to public inspection in accordance with the Texas Open Meetings Act, Chapter 551 and Public Information Chapter 552 of the Texas Government Code. The Secretary shall attest the signature of the President or any other officer of the District.

### SECTION 5. TREASURER

The Treasurer shall have the responsibility to insure the proper handling, custody and security of all funds and securities of the District. The Treasurer may be required, at the expense of the District, to give such bond for the faithful discharge of the duties in such form and amount as the Board may require by resolution. The Treasurer shall assure that a monthly financial report is provided to the Board concerning activities of the District.

### SECTION 6. DIRECTOR OF ECONOMIC DEVELOPMENT

The Board may employ a Director of Economic Development to carry out any duties it deems in the interest of the District. The Director of Economic Development shall not have sole authority over MDD business. The Director shall report to the MDD Board and update the City Council upon request. If the entire MDD Board were to be recalled by the City Council, the Director of Economic Development may report to the City Council in the interim until a new MDD Board is established. The Director of Economic Development shall not be appointed for a definite term but may be removed at the will and pleasure of the MDD Board of Directors by an affirmative vote of a majority of the entire Board. The action of the Board in the suspending or removing of the Director of Economic Development shall be final.

### SECTION 7. CONFLICT OF INTEREST

The members of the Board of Directors shall be considered local public officials, but not City officials, within the meaning of Chapter 171 of the Texas Local Government Code. If a Director has a substantial interest, as that term is defined in said Chapter, in a business entity or real property which is the subject of deliberation by the Board of Directors, the Director shall file an affidavit with the Secretary of the District stating the nature or extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter by the Board of Directors, and if required by said Chapter, the interested Director shall abstain from any discussion, vote or decision upon the matter.

### SECTION 8. IMPLIED DUTIES

The District is authorized to take such actions as it may deem reasonable or necessary to accomplish any of the purposes or duties set out in these Bylaws in accordance with the Act and any other applicable law.

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### SECTION 9. PROHIBITIONS

The MDD Board of Directors shall have powers only as a body meeting with a quorum present and no member shall have power to act individually except where that power may be conferred upon the member in these By-laws or by written MDD resolution.

### ARTICLE IV

#### FUNCTIONAL DUTIES AND RESPONSIBILITIES

##### GENERAL ECONOMIC DEVELOPMENT PLAN

The District may research, develop and prepare any Economic Development Plan for the City, which shall include proposed methods and the expected costs of implementation. The Plan shall include both short-term and long-term goals for the economic development of the City, proposed methods for the elimination of unemployment and under-employment, and the promotion of employment, through the expansion and development of a sound retail, industrial and manufacturing base for and within the City. The District shall review and update the Plan each year prior to completion of the annual budget.

### SECTION 1. ANNUAL BUDGET

On or before June 30th of each year the Treasurer shall prepare and present a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year to the Board. The MDD Board shall review the budget at their July meeting. The approved proposed budget shall be submitted to the City Council for review and inclusion during the Council budget workshops in August. The fiscal year of the District shall commence on October 1st of each year and end on September 30th.

### SECTION 2. FINANCIAL BOOKS, RECORDS, AUDITS

The Treasurer shall keep and properly maintain, in accordance with generally accepted accounting principles, complete financial books, records, accounts and financial statements pertaining to its funds, activities and affairs, to include an audit of MDD financial records annually.

Only the Director of Economic Development, the Board President or any two Board officers, may sign checks on behalf of the District.

### ARTICLE V

#### MISCELLANEOUS PROVISIONS

### SECTION 1. INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

The District shall indemnify each and every member of the Board, its officers and its employees to the fullest extent permitted by law.

The District shall purchase and maintain insurance on behalf of any Director, officer, employee or agent of the District against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the District.

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**BYLAWS**

**SECTION 2. GIFTS**

The Board may accept on behalf of the District any contribution, gift, bequest or devise for the general purposes of the District.

**SECTION 3. AMENDMENTS TO BYLAWS**

These Bylaws may be amended or repealed and new Bylaws may be adopted by any affirmative vote of two-thirds (2/3rds) of the authorized Directors serving on the Board.

**SECTION 4. EFFECTIVE DATE**

These Bylaws and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by the Board of Directors of the Rockdale Municipal Development District.

First Approved by Resolution: October 12, 2010

Amended: August 25, 2011

Amended: December 15, 2011

Amended: April, 26, 2012

Amended: September 26, 2013

Amended: October 17, 2014

Amended: August 24, 2015

Amended: July 25, 2016

Amended: February 8, 2021