

**DALLAS AREA RAPID TRANSIT
P.O. BOX 660163, Dallas, Texas 75266-7200**

.....
DART Board Bylaws
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**Adopted September 25, 1984
Amended September 22, 2015**

DALLAS AREA RAPID TRANSIT DART BOARD BYLAWS

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DALLAS AREA RAPID TRANSIT
DART BOARD BYLAWS

ARTICLE I
NAME AND PURPOSE

Section 1. Name. The name of the authority shall be the Dallas Area Rapid Transit ("DART").

Section 2. Background. DART is created under the authority of Texas Revised Civil Statutes Annotated, Article 1118y as amended, and recodified in Chapter 452 of the Texas Transportation Code (the "Code") and a vote of the people. The successful referendum creating DART was on August 13, 1983. DART assumed responsibility for public transportation within its service area on September 7, 1983, and commenced service on January 1, 1984. The DART service area constitutes one subregion (the "Subregion") under the Code. [452.571]. The principal member jurisdiction in the Subregion is the City of Dallas. [452.571]. DART was created and confirmed by only one Subregion; therefore, the Board of Directors of the Subregion becomes the Executive Committee and governing body of DART, and members of the Executive Committee are selected in the manner prescribed for selection of the members of the Board of Directors of the Subregion. [452.572]. The Board of Directors referred to in these Bylaws and conducting the business of DART is the same as the Executive Committee provided for in the Code. These Bylaws are enacted by the DART Board to facilitate and to conduct the business of DART for the benefit of the DART Board and do not create any third party rights, duties, or obligations. *[All information in brackets is for the convenience of the reader only and is not incorporated in any way into these Bylaws. Unless otherwise noted, numbers in brackets refer to sections of the Texas Transportation Code.]*

Section 3. Authorization. These Bylaws are adopted pursuant to authority granted in Section 452.546 of the Code. In the event of any conflict between these Bylaws and the Code or other applicable laws of the State of Texas, such laws shall be controlling. In the event any

provision of these Bylaws shall be determined to be invalid, the remainder of these Bylaws shall nevertheless remain in force and effect.

ARTICLE II

OFFICES

Section 1. Principal Office. The principal office of DART shall be located at 1401 Pacific Avenue, Dallas, Texas 75202, or at such other location within the DART service area as the Board may direct.

Section 2. Additional Offices. DART also may have offices at such other places as the Board of Directors of DART from time to time may determine or as the activities of DART may require.

ARTICLE III

BOARD OF DIRECTORS

Section 1. General Powers. The responsibility for the operation and control of the properties belonging to DART is vested in the Board of Directors (the "Board"). [452.101]. The Board may exercise responsibility by appointing and prescribing compensation for a chief executive officer whom the Board may designate as an executive director or a general manager and who shall administer the daily operations of DART and employ persons, firms, partnerships, or corporations deemed necessary by the Board for the conduct of the affairs of DART. The Board may appoint auditors, and attorneys and prescribe the duties, tenure, and compensation of each. [452.101(2)].

Section 2. Number and Composition. The number of members of the Board is set by statute at fifteen (15). [452.572]. Every five years as of the first day of July following the date the census data or population estimates become available, or when a member jurisdiction withdraws from or joins DART, the Board shall be restructured, if necessary, to comply with the statutory requirements of the Act. [452.577].

Section 3. Qualification. The members of the Board shall be resident citizens and registered voters within the boundaries of the service area of DART. [452.541 and 452.574]. An elected officer of the state or a political subdivision of the state who is not prohibited by the Texas Constitution from serving on the Board is eligible, as an additional duty of office, to serve on the Board. An elected officer who serves as a member is not entitled to receive compensation for serving as a member but is entitled to reimbursement for reasonable expenses incurred in performing duties as a member of the Board. [452.574(b)].

Section 4. Appointment.

(a) The members of the Board shall be appointed in accordance with the Code. The members of the Board shall be appointed by the member jurisdictions or combination of member jurisdictions within the service area of DART and apportioned as set forth in the Code. [452.572].

(b) No single member jurisdiction shall be entitled to appoint more than sixty-five (65%) of the members of the Board. [452.576].

(c) In accordance with Section 452.573 of the Code, any combination of cities may aggregate their population to be entitled to one member on the Board. A city entitled to one or more members that has a population that would entitle it to a fraction of another member may aggregate its population with another city to appoint another member. Cities aggregating their population to make an appointment shall agree on a method of making the appointment. [452.573]. To serve on the Board, a person must be a resident of the city making the appointment. [452.574]. A city making more than one appointment shall, to the greatest extent practicable, select persons who accurately reflect the racial and ethnic composition of that city. [452.575]. A city may not aggregate its population with another city for the purpose of minimizing the representation on the Board of a racial or ethnic minority. [452.573].

Section 5. Vacancies. Any vacancy occurring on the Board shall be filled by the appropriate governmental entity or entities making the original appointment. [452.542]. Vacancies on the Board shall not impair the power of the Board to transact any and all business of DART.

Section 6. Tenure. Each member of the Board shall serve at the pleasure of the governing body of each appointing governmental entity. [452.542]. The members of the Board shall serve staggered terms of two years with eight terms beginning July 1 of odd-numbered years and seven terms beginning July 1 of even-numbered years. [452.578]. After appointment of the Board, the members shall draw lots to determine their initial terms. Eight members shall serve for a term expiring July 1, 1995. Seven members shall serve for a term expiring July 1, 1994. Members of the Board shall continue to perform the duties of their offices until their successors shall be duly qualified. [Texas Constitution Article 16, Section 17].

Section 7. Regular Meetings. The Board shall hold at least one regular meeting each month for the purpose of transacting the business of DART. [452.546]. The Board shall adopt by resolution an annual schedule of Regular Meetings. The schedule shall specify the date, time and place of each Regular Meeting. [452.546]. The Board Chair shall have the authority to cancel, postpone or change the date or time of a Regular Meeting subject to the requirements of the Code. Written notice of any such change shall be given to all members of the Board as described in the Board's Rules of Procedure.

Section 8. Annual Meeting. The first regular meeting of the Board during October of each year shall be the Annual Meeting of the Board. Officers of the Board shall be elected at the Annual Meeting.

Section 9. Special Meetings. Special meetings of the Board may be called by the Board Chair. All members of the Board shall be given written notice of the Special Meeting as described in the Board's Rules of Procedure. [452.546(b)].

Section 10. Emergency Meetings. In cases of urgent public necessity requiring immediate action because of imminent threat to public health and safety or because of a reasonably unforeseeable situation, the Board Chair may call an emergency meeting in accordance with state law. As the situation allows, all members of the Board will be given verbal or written notice of the Emergency Meeting as described in the Board's Rules of Procedure.

Section 11. Quorum. Sixty-five percent (65%) of the members of the Board shall constitute a quorum for the purpose of conducting its business and exercising its power. [452.579].

Section 12. Agenda. The Board Chair, in cooperation with the President/Executive Director, shall be responsible for having the agenda prepared for meetings of the Board and shall provide the agenda to the Director of Board Support for posting in accordance with applicable state laws. The Board Chair shall add an item to the agenda as provided for in the Board's Rules of Procedure.

Section 13. Notice. All meetings of the DART Board, its committees, or any other occasion where any deliberation as defined in the Texas Open Meetings Act occurs, shall be in compliance with the Texas Open Meetings Act and all Board members shall be notified.

Section 14. Voting. Each member of the Board shall be entitled to one (1) vote, except as otherwise provided in the Code. Actions may be taken by the Board upon the affirmative vote of a majority vote of the members present at a meeting at which a quorum is present, except as otherwise provided for in the Code. [452.111]. The adoption or amendment of the Financial Plan and timing and staging of the Service Plan/System Plan shall require a two-thirds vote of the Board. [452.111] With regard to any action of the Board which, pursuant to the Code or these Bylaws, requires a two-thirds vote of the Board, said action may be taken by an affirmative vote of two-thirds of the number of appointed and qualified members of the Board.

Section 15. Presumption of Assent. There shall be no presumption of assent. Whenever an action is taken at a meeting of the Board, it shall be necessary for a Board member to be present in the room and voting in order for the minutes to reflect the Board member as having voted.

Section 16. Procedure of Meetings. Notice of all meetings and hearings of DART shall be given, and such meetings and hearings shall be held and conducted in accordance with the following hierarchical order: applicable law, these Bylaws, the Board's Rules of Procedure and Robert's Rules of Order, newly revised, to the extent not in conflict. The General Counsel of DART shall serve as parliamentary advisor to the Board.

Section 17. Compensation. Members of the Board shall receive such compensation and reimbursement for expenses as are permitted by law and as from time to time ordered by the Board. [452.547].

Section 18. Conflicts of Interest. All members of the Board shall comply with the provisions of Article 171 of the Local Government Code, Texas Revised Civil Statutes Annotated and the Board adopted Code of Ethical Conduct. The President/Executive Director shall promulgate and enforce an appropriate conflict of interest policy applicable to DART staff.

Section 19. Attendance. Members of the Board are encouraged to attend all board meetings and all committee meetings. The appointing governmental entity will be advised of the appointed member or members failing to attend any three (3) consecutive regular board meetings. The report to the appointing governmental entity shall not when the Board member is absent with the approval of the Board Chair for transit related business on behalf of DART, and when the Board member is absent to attend a meeting of the appointing governmental entity's governing body.

ARTICLE IV
OFFICERS

Section 1. Election. The Board shall elect from its membership a Board Chair, a Board Vice-Chair, Secretary, and Assistant Secretary. [452.543]. No two offices shall be held by the same person.

Section 2. Chair. The Board Chair shall preside at all regular, special, and emergency meetings of the Board. The Board Chair shall see that all orders and resolutions adopted by the members are carried into effect, shall appoint members to serve on committees of the Board, shall appoint a Chair and Vice-Chair of such committees, shall execute instruments and documents on behalf of DART which the Board has authorized the Board Chair to execute, and shall perform all duties and have such other powers incident to the office of Board Chair as may be prescribed by the Code, these Bylaws, the Board Rules of Procedure, or the Board.

Section 3. Board Vice-Chair. The Board Vice-Chair shall preside at any meeting of the Board upon request of the Board Chair or at which the Board Chair is absent and, unless otherwise determined by the Board, in the absence or disability of the Board Chair, shall perform the duties and exercise the powers of the Board Chair. The Board Vice-Chair shall perform all other duties and have all other powers as may be prescribed by the Code, these Bylaws, the Board Rules of Procedure, or the Board.

Section 4. Secretary. The Secretary shall keep the permanent record of all proceedings and transactions of DART [452.543(c)] or may delegate such responsibility to the Director of Board Support. The Secretary shall attend all regular, special, and emergency meetings of the Board and shall keep the minutes or delegate the keeping of the minutes of all meetings of the Board to the Director of Board Support in records kept for that purpose and shall certify to the accuracy of such minutes and actions and shall certify all resolutions of the Board. The Secretary shall give or cause to be given by the Director of Board Support, notice of all regular, special and emergency meetings of the Board in accordance with these Bylaws, and shall perform such other

duties and have such other powers as may be prescribed by the Code, the Bylaws, the Board Rules of Procedure, or the Board.

Section 5. Assistant Secretary. The Assistant Secretary shall have the powers and duties of the Secretary in the absence, disability, or disqualification of the Secretary and shall have such other powers and duties as assigned by the Board or these Bylaws.

Section 6. Chief Executive Officer. The Board shall appoint and prescribe the duties, tenure, and compensation of a chief executive officer who shall administer the daily operations of DART. [452.101, 452.104]. The chief executive officer may use such title or titles as deemed appropriate by the Board.

Section 7. Term. The officers of the Board shall be elected at an annual meeting of the Board and shall hold such office for a one year term. The first term shall begin September 1994. The officers shall serve until the officer's successor is duly elected and qualified or until the officer's earlier removal, resignation, disqualification, or death.

Section 8. Removal. Any officer may be removed by a majority vote of the Board at a properly noticed and posted meeting of the Board at which a quorum is present.

Section 9. Resignation. Any officer may resign at any time by giving written notice to the Board or the Board Chair.

Section 10. Vacancies. In the event any officer position shall become vacant, the Board Chair shall appoint a member of the Board to serve out the vacant position until the next scheduled election of Board officers. In the event that the Board Chair's position becomes vacant, the Board Vice-Chair shall serve as Board Chair until the next regular annual meeting of the Board.

ARTICLE V
COMMITTEES

Section 1. Board Committees. There shall be a Board Audit Committee, a Board Executive Compensation and Goals Committee and only such other committees and subcommittees of the Board as the Board Chair may from time to time deem appropriate and designate. The Board committees shall not have any power or authority to act on behalf of or create any obligation of DART except that 1) the Board Audit Committee may exercise those powers authorized by the Board and identified in the Board Audit Committee Charter (copies of which shall be located in the Office of Board Support and the Internal Audit Department) and 2) the Board Executive Compensation and Goals Committee shall a) recommend to the Board of Directors for its consideration and approval prior to the start of each fiscal year, goals and performance measures for the President/Executive Director, General Counsel and Director of the Office of Board Support and b) evaluate the performance of the President/Executive Director, General Counsel and Director of the Office of Board Support, in accordance with any contractual timeline obligations and in no event later than December 1 of each year, provide a recommendation as to salary increase, bonus and contract changes, if any, to the Board of Directors for consideration and approval.

Section 2. Appointment. Any member of the Board may submit in writing a request to the Board Chair for appointment to Board committees. The Board Chair shall annually appoint members to serve on each committee of the Board.

Section 3. Quorum. A majority of the members of a committee shall constitute a quorum for the purpose of conducting its business and exercising its power. Actions may be taken by a committee upon the affirmative vote of a majority of the members of the committee present at a meeting at which a quorum is present. If a quorum is not present, the committee members may meet, discuss issues, and receive information, but no official action can be taken.

Section 4. Alternate Committee Member. When a quorum of a committee is not present for a committee meeting, the Board Chair may appoint no more than two other Board member(s) to serve as alternate members of the committee for purposes of making a quorum. Upon appointment, the member shall have all the privileges of other committee members so long as the alternate's presence is necessary to maintain a quorum. To be effective, such appointment must be in writing and filed with the Office of Board Support. Such appointment shall be effective only until the adjournment of the meeting for which the appointment is made.

Section 5. Procedure of Meetings. Members of the Board who are not members of a committee may attend all meetings of any committee and participate in the deliberations of any committee, but shall not be entitled to vote.

ARTICLE VI

BUDGET AND FINANCE

Section 1. Fiscal Year. The Fiscal Year of DART shall end on September 30 of each year.

Section 2. Accounts. The Board shall approve a complete system of accounts, shall designate authorized representatives to invest funds, withdraw money from authorized accounts, and complete other transactions as required, and shall approve and regularly review such policies governing financial matters as necessary. *[452.101]*.

Section 3. Annual Budget, Financial Plan and Business Plan.

Section 3.A. Annual Budget. The Board shall adopt an Annual Budget prior to the commencement of each fiscal year. The Board shall make the proposed Annual Budget available to the governing bodies of the member jurisdictions within the service area at least thirty days before it adopts the Annual Budget. *[452.113, 452.545]*.

Section 3.B. Financial Plan. The Board shall adopt a Financial Plan prior to the commencement of each fiscal year. The purpose of the Financial Plan is to determine the affordability of ongoing operations and future expansion programs as described in the Transit System Plan. The Annual Budget is the first year of the twenty year Financial Plan. The Board may delay adoption of a Financial Plan by majority vote. The Board shall provide the proposed Financial Plan to the governing bodies of the member jurisdictions within the service area at least thirty days before its adoption.

Section 3.C. Business Plan. The Chief Executive Officer shall develop and present to the Board a Business Plan that identifies specific actions necessary to implement and administer the Annual Budget, the Financial Plan and the Transit System Plan.

Section 4. Financial Standards Policy. The Board shall adopt and periodically review a Financial Standards Policy that addresses standards for investments, cash reserves and debt limitations, and that sets out a procedure for amending the Financial Plan.

Section 5. Audit. The Board shall have an audit of the affairs of the authority prepared each year by an independent certified public accountant or a firm of independent certified public accountants as recommended by the Board Audit Committee and approved by the Board. [452.451]. The annual audit shall be conducted by persons who have no direct or indirect personal interest in the fiscal affairs of DART and are qualified and experienced in public accounting and the auditing of public bodies. The annual audit shall be open to public inspection.

ARTICLE VII

RULES, POLICIES AND PROCEDURES

The Board shall adopt and provide for the enforcement of rules, policies or procedures in connection with its management, operation and control of DART. [452.053, 452.105].

ARTICLE VIII
INDEMNIFICATION OF BOARD MEMBERS

DART shall indemnify any current and former members of the Board or staff and Board or Board Chair appointees with liability exposure (limited to: Trial Board Judges, Administrative Law Judges and DART Retirement Committee members) to the fullest extent possible in conformance with all applicable law against liability or expense (including, but not limited to, attorneys fees) incurred by a current or former Board or staff member or Board appointee (as limited above) subject to reimbursement to DART to the extent required by law.

ARTICLE IX
SEAL AND FLAG

Section 1. Seal. The seal shall be in such form as the Board shall approve by resolution, and such seal or a facsimile thereof may be impressed on, affixed to, or in any manner reproduced upon, instruments of any nature required to be executed by officers of DART. [452.101].

Section 2. Flag. The flag shall be in such form as the Board shall approve by resolution. The flag or a facsimile thereof may be displayed at the principal office of DART, or at any DART facility, or in, at or on any other appropriate location, publication or vehicle.

ARTICLE X
AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended, or repealed, or new Bylaws may be adopted, by a favorable vote of two-thirds of the members of the Board present at any regular, properly posted meeting of the Board or at any properly posted special meeting of the Board at which a quorum is present; provided that prior to consideration and vote by the Board, any proposed revisions to the

Bylaws may be reviewed by and commented on by a Bylaws Committee and shall be provided in writing to all Board members at least two weeks prior to Board action on the amendments.

History of Amendments to DART Board Bylaws:

ADOPTED September 25, 1984, Resolution No. 840077

AMENDED April 26, 1985, Resolution 850077

AMENDED December 15, 1987, Resolution No. 870109

AMENDED January 23, 1990, Resolution No. 900013

AMENDED March 27, 1990, Resolution No. 900037

AMENDED February 12, 1991, Resolution No. 910032

AMENDED June 28, 1994, Resolution No. 940173 and 940176

AMENDED September 13, 1994, Resolution No. 940256

AMENDED September 26, 1995, Resolution No. 950235

AMENDED May 13, 1997, Resolution No. 970081

AMENDED May 18, 1999, Resolution No. 990085

AMENDED September 12, 2000, Resolution No. 000159

AMENDED October 27, 2009, Resolution No. 090149

AMENDED September 22, 2015, Resolution No. 150100