

TEXOMA HOUSING PARTNERS CONSORTIUM AGREEMENT

WHEREAS, the 100% Low Rent Public Housing Authorities of the Cities of: Bells, Bonham, Celeste, Ector, Gunter, Farmersville, Howe, Honey Grove, Ladonia, Pottsboro, Savoy, Tom Bean, Trenton, Van Alstyne, Whitewright, and Windom, Texas, hereby agree to join together to form, operate, and maintain a voluntary consortium to be known as TEXOMA HOUSING PARTNERS (THP) for the purpose of administering public housing funds and to provide for the public housing needs of the citizens of their respective cities; and

WHEREAS, the operation and maintenance of THP involves certain responsibilities and privileges; and,

WHEREAS, it is the intent of this Consortium Agreement to provide the basic framework for this cooperative endeavor;

WHEREAS, it is our mutual goal to combine our total resources to provide public housing needs beyond our individual capabilities and in accordance with 24 CFR 943, the Bonham Housing Authority is designated as the lead agency; now therefore

The sixteen (16) public housing authorities who are signatories to this Consortium Agreement agree as follows:

ARTICLE I

The sixteen (16) public housing authorities whose approval is attached hereto agree to operate and maintain THP offices at the Bonham Public Housing Authority Administrative Offices located at 810 West 16th Street, Bonham, Texas, and such other locations as the Governing Board of THP may from time to time designate. THP shall be governed by a policy-making board consisting of seventeen (17) voting members who shall serve terms of three (3) years, with the exception that initial members shall have staggered terms to provide continuity of THP's program. Each of the existing sixteen (16) public housing authority boards shall designate one (1) member to the initial THP Governing Board. Upon convening for the first time, these sixteen (16) members shall draw lots to determine five (5) members to serve an initial one (1) year term; five (5) members to serve an initial two (2) year term; and six (6) members to serve an initial three (3) year term. Members may be appointed to the THP Governing Board for successive terms. After appointment for an initial term by the sixteen public housing authorities, subsequent appointments or reappointments will be made by the mayor of each city represented in accordance with Chapter 392, Subchapter 3, Section 392.031 of the Local Government Code. One public housing resident of one of the member public housing authorities will be appointed for a three (3) year term. This resident will be appointed in accordance with a selection process to be established by the THP Governing Board. In the event that new members are added under the terms of Article IV hereof, such new members will have a member appointed to the Governing Board by the mayor of the city represented.

This Governing Board shall have policy-making authority for THP and shall be known as the Board of Directors. THP shall operate on a fiscal year that shall begin on April 1 of each calendar year and end on March 31 of the following year. Bonham Housing Authority, acting as the lead agency, is designated to receive HUD program payments on behalf of participating PHAs, to administer HUD requirements for administration of the funds, and to apply the funds in accordance with the consortium agreement and HUD regulations and requirements. All participating PHAs are subject to the joint PHA Plan submitted by the lead agency.

If a member of the Board of Directors resigns, dies, or is absent from three (3) consecutive meetings, the appointing authority may designate a new member to complete the unexpired term of the departing member upon written notice by the President of the Board of Directors.

ARTICLE II

The Board of Directors of THP, by majority vote, shall be responsible for the approval of the expenditure of all funds made available to THP from all sources including, but not limited to, U.S. Department of Housing and Urban Development (HUD) subsidy, rent roll income, interest income, and the sale of fixed assets or surplus equipment. Such expenditure of funds will be made from the depository selected under Article IV and may be expended upon check or warrant signed by the Secretary/Treasurer, countersigned by the President, or in the absence or inability of the President to act, the Vice-President. The Board of Directors of THP shall enter into a management contract with Texoma Council of Governments (TCOG) to provide administrative services, property maintenance, and fiscal operations for THP. The scope, nature and compensation for such services shall be mutually agreed upon by the Board of Directors and TCOG.

ARTICLE III

TCOG's Public Housing Director shall prepare and submit to the Board of Directors a standard operating procedural manual. The Public Housing Director shall prepare an annual budget and recommendations to be presented to the Board of Directors for their consideration and approval in accordance with the schedule established by HUD. The approval of the budget by the Board of Directors shall be contingent upon the availability of sufficient funds in the form of HUD subsidy, projected rental income, and operating reserves.

ARTICLE IV

The activities of THP shall be financed by a fund which shall be set up in a depository to be selected by the Board of Directors. Each public housing authority shall, upon execution of this agreement, and selection of the depository by THP, execute such forms and documents so as to 1) authorize HUD to make payment of all subsidy amounts directly to the selected depository, and 2) authorize transfer of existing operating reserve amounts to the selected depository.

The Board of Directors may consider requests from other public housing authorities to be admitted to and become cooperative partners of THP on an equal basis with the participating

partners to this agreement. New members shall agree to comply with the provisions of Article IV, paragraph 1, upon acceptance by the Board of Directors.

ARTICLE V

In the event that any of the original sixteen (16) parties to this agreement or any parties subsequently admitted under Article IV desires to disassociate themselves from THP, it shall be necessary for that particular public housing authority to give written notice to the Board of Directors. Such notice of intention to disassociate from THP will be effective at the end of THP's fiscal year during which notice is given provided that at least ninety (90) days remain in the fiscal year. In the event that less than ninety (90) days remain in THP's current fiscal year, such notice of intention to disassociate from THP will be effective at the end of the succeeding fiscal year. In the event of that one or more public housing authorities give proper notice to the remaining members of their intention to disassociate from THP, the other parties may continue to operate THP. In the event that all of the cooperative public housing authorities jointly agree to dissolve the THP, the assets of THP will be disposed of in a manner designated by the Board of Directors and the net proceeds, after the satisfaction of all indebtedness, will be divided among the cooperative public housing authorities in a manner designated by them. Any party may challenge the manner for disposing of assets provided by a majority of the Board of Directors by submitting to the non-challenging parties three (3) names of individuals acceptable as an arbitrator to the challenging party. The non-challenging parties may select one (1) of the named individuals to arbitrate the manner of disposition. If none of the individuals are acceptable to the non-challenging parties, they shall submit the names of three (3) individuals acceptable as an arbitrator from which the challenging party may select. The alternating submission of names of individuals shall be continued until one (1) mutually acceptable person is selected. The selected arbitrator shall establish the procedures for arbitration of the issue. The decision of the arbitrator will be binding on all parties.

ARTICLE VI

The appointed members serving on the Board of Directors shall meet no less often than annually at a time and place to be determined. The President shall also be authorized to call special meetings in accordance with applicable state laws. A simple majority of fifty-one percent (51%) of the total number of voting members shall constitute a quorum for the transaction of business.

Special meetings called by the President shall be announced in accordance with the Texas Open Meetings Act. The posted notice shall specify the time, place, and subject of the called meeting and business transacted at such called meetings shall be confined to the subjects as stated in such notice.

When a quorum is present at any meeting, the vote of the majority of the voting members shall decide any question brought before the meetings, except that a two-thirds (2/3) affirmative vote of the total number of representatives shall be required to amend the Consortium Agreement.

The President of the Board of Directors shall preside at all meetings. In the absence of the President, the Vice-President shall preside at these meetings. In the absence of both the President and the Vice-President, the Secretary/Treasurer shall preside at these meetings. In the event that any of the aforementioned officers of THP are unable to attend any meeting, the members present at the meeting shall, in a manner deemed acceptable to them, designate a presiding officer from among them, provided that a quorum is present to conduct business.

ARTICLE VII

The officers and duties of THP are as follows:

- A. The duties of the President of the Board of Directors shall be:
 - 1. Preside at meetings of the Board of Directors
 - 2. Sign official documents
 - 3. Call special meetings as required and in accordance with provisions of the Open Meetings Act
 - 4. Recommend committee appointments to include but not be limited to, audit committee, budget committee, nominating committee
 - 5. The President shall not vote on matters before the Board of Directors except to cast the tie breaking vote in the event of a tie vote

- A. The duties of the Vice-President of the Board of Directors shall be to assume the duties of the President in the event the President is absent or otherwise unable to fulfill his or her responsibility.
- B. The duties of the Secretary/Treasurer shall be:
 - 1. Preside at meetings of the Board of Directors in the absence of both the President and Vice-President
 - 2. Sign official documents

ARTICLE VIII

THP shall have an annual audit made of its financial accounts and transactions during the preceding fiscal year. Such audit shall be made in conformance with applicable laws and regulations.

ARTICLE IX

This Consortium Agreement shall become initially effective upon the date of ratification by the minute order, resolution or other appropriate signification of assent by the parties hereto as shown by a certified copy of said minute order, resolution, or other appropriate signification of assent under the hand of the Chairman of the public housing authority of the initial sixteen (16) cooperative members; or a similar certified copy in the case of any public housing authority becoming a member of THP after the execution of this Consortium Agreement by the parties originally signatories hereto, or any parties subsequently admitted with the participating public housing authorities to this Agreement

This Consortium Agreement may be amended by affirmative letter vote of two-thirds (2/3) of the total number of members of the Board of Directors, provided that the proposed amendment was discussed and authorized for consideration at a regular or special called meeting of the Board of Directors.