

**CITY OF SEABROOK
RESOLUTION NO. 2019-03**

SEABROOK EDC BYLAW AMENDMENTS

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK,
TEXAS, ADOPTING REVISIONS AND AMENDMENTS TO THE BYLAWS
FOR THE SEABROOK ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, on January 18, 1992, the voters of the City of Seabrook authorized the City of Seabrook to adopt a one-half cent sales and use tax to pay the costs of "projects" authorized by Section 48 of Article 5190.6, V.T.C.S. *as* amended (now Chapters 501, 502, and 505, Texas Local Government Code, and to pay for the principal and interest of bonds or other obligations issued to pay the costs of such "projects"; and

WHEREAS, the Seabrook Economic Development Corporation (EDC) was established to oversee the expenditures of these tax monies and bylaws were established for the operation of the EDC.

WHEREAS, the adopted bylaws provide for the amendment of such bylaws; and

WHEREAS, these bylaws have been amended in the past by Resolution; and

WHEREAS, the Board of Directors of the EDC has determined that it is in the best interest of the City of Seabrook to again update and amend these bylaws; and

WHEREAS, all required procedures have been followed to amend such bylaws and the amendments were approved unanimously by the Board of Directors at their meeting of February 7, 2019; and

WHEREAS, all amendments to the EDC bylaws must be approved by the Seabrook City Council.

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

THAT, the Bylaws of the Seabrook Economic Development Corporation are hereby amended as shown in Exhibit "A" and as recommended by the Board of Directors of the Seabrook Economic Development Corporation.

PASSED, APPROVED, AND RESOLVED this 19th day of February, 2019.

CITY OF SEABROOK



Thomas G. Kolupski
Mayor

ATTEST:



Robin Hicks, TRMC
City Secretary



EXHIBIT "A"

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BYLAWS OF THE
SEABROOK ECONOMIC DEVELOPMENT CORPORATION

ARTICLE ONE

OFFICE AND AGENT

The principal office and agent of the Seabrook Economic Development Corporation (hereinafter referred to as the "Corporation") in the State of Texas shall be located at 1700 First Street, Seabrook, Texas or other location as may be determined by the Board of Directors, approved by City Council of the City of Seabrook, and recorded with the Secretary of State.

ARTICLE TWO

PURPOSE

2.01 The Corporation is a non-profit corporation specifically governed by Section 4B of the Texas Development Corporation Act of 1979, (Chapters 501-502, 505, Texas Local Government Code (hereinafter referred to the "Act.")). The Corporation shall have all of the powers enumerated in the Act, except as limited by these Bylaws, its Articles of Incorporation, or determination of the City Council.

2.02 The purpose of the Corporation is to use economic development resources to encourage and promote the general economic welfare of the City, its residents and businesses as authorized by the Act, as it may be amended.

ARTICLE THREE

MEMBERS

The Corporation shall have no members and is a non-stock corporation. The word "member" may be used in these Bylaws in reference to those appointed to serve as Directors or on committees, but does not imply or confer any corporate membership or ownership status.

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ARTICLE FOUR
BOARD OF DIRECTORS

Management of the Corporation

4.01 The business and affairs of the Corporation and all corporate powers shall be exercised by or under authority of the Board of Directors (the "Board"), appointed by the governing body of the City of Seabrook, and subject to applicable limitations imposed by the Texas Non-Profit Corporation Act, the Texas Business Corporation Act, the Texas Development Corporation Act, its Articles of Incorporation, or these Bylaws. The Board may, by contract, resolution, or otherwise, provide general or limited special power and authority to the officers and employees of the Corporation to transact the general business or any special business of the Corporation, and may give powers of attorney to agents of the Corporation to transact any special business requiring such authorization.

~~[The affairs of the Corporation shall be managed and controlled by its Board of Directors, and subject to the restrictions imposed by law, the Articles of Incorporation and these Bylaws., the Board shall exercise all of the powers of the Corporation.]~~

Number, Qualifications, and Tenure of Directors

4.02 The authorized number of Directors of this Board shall be seven (7). The City Council shall appoint the Directors of the Corporation in accordance with the Act and the City's Home Rule Charter, as each may be amended. The membership of the Board of Directors shall include the Mayor and one additional member of City Council. At least five (5) Directors of the Board shall not be officers or employees of the City of Seabrook or members of its City Council, and these five (5) Directors shall be referred to as "Public Members" and/or as "Public Directors" of the Board of Directors.

The terms of office for the Directors of the Board are as follows: (a) The term of Directors who are also members of the City Council, shall be two (2) years and shall for those two (2) years run concurrently with the respective Council member's term

65 of elected office; (b) The terms of Public Members shall be by appointment by City
66 Council in January every two years for 2-year terms.

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68 Any Director who is a member of the governing body of the City shall cease to be a
69 Director at the time he or she ceases to be a member of the City Council. A director
70 may be removed by the City Council at any time without cause. Each director shall
71 be a resident of the City of Seabrook. [~~The Mayor and one additional member of the~~
72 ~~City Council of the City shall be two of the directors. The remaining directors shall be~~
73 ~~persons who are not employees or officers of the City, or members of the City Council~~
74 ~~of the City.~~]

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Vacancies

77 4.03 Any vacancy occurring on the Board of Directors shall be filled by appointment
78 by the City Council of the City. All interviews by the City Council to fill vacancies for
79 directors shall be conducted in open meetings. A director appointed to fill a vacancy
80 shall be appointed for the unexpired term of his or her predecessor in office.

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Ex Officio Representatives of the Board

83 4.04 The City Manager shall serve as an ex officio representative of the Board and
84 may attend all meetings of the Board or its Committees including executive sessions,
85 if allowed by law. He or she shall not have the power to vote. In addition, the Board
86 of Directors may appoint representatives from area organizations to serve as ex
87 officio, non-voting members of the Board.

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General Duties of the Board

90 4.05 The Board is hereby required to perform the following duties:

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- a. The Board shall develop or cause to be developed, an overall economic development plan for the City, which shall include and set short-term goals and long-term goals that the Board deems necessary to accomplish its purpose as stated in Section 2.01 hereof.

97 This plan shall require approval by the City Council of the City and may include the
98 following elements:

- 99
100 1. An economic development strategy to bolster the business
101 climate throughout the City.
- 102 2. Strategies to fully utilize the assets of the City that enhance
103 economic development.
- 104 3. Identification of strategies to coordinate public, private, and
105 academic resources to develop and enhance business
106 opportunities.
- 107 4. Assurance of accountability of all tax monies expended by the
108 Corporation for implementation of the overall economic
109 development plan.
- 110 5. Identification and implementation of strategies for economic
111 development.
- 112 6. An annual work plan outlining the anticipated activities, tasks,
113 projects, and programs to be undertaken by the Board during the
114 upcoming fiscal year. The annual work plan shall be submitted
115 with the Corporation's annual budget, as outlined in Section 7.02
116 of these Bylaws.

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118 b. The Board shall review the overall economic development plan at least
119 once each year to ensure that said plan is up-to-date with the current
120 economic climate.

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122 c. The Board shall expend, in accordance with State law, any tax funds
123 received by it on economic development as allowed by law, to:

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125 1. Pay the costs of projects found by the Board to be required or
126 suitable for use for professional and amateur (including
127 children's) sports, athletic, entertainment, tourist, convention, and
128 public park purposes and events, including stadiums, ball parks,

- 129 auditoriums, amphitheaters, concert halls, learning centers, parks
130 and park facilities, and related space improvements, museums,
131 exhibition facilities, and related store, restaurant, concession, and
132 automobile parking facilities, related area transportation facilities,
133 and related roads, streets, and water and sewer facilities, and
134 other related improvement that enhance any of those items; or
135 2. Pay the principal of, interest on, and other costs relating to
136 bonds or other obligations issued by the Corporation to pay the
137 costs of the projects or to refund bonds or other obligations.
138 3. Fund any other Project(s) authorized by law.
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140 d. The Board may contract with the City of Seabrook, or with another entity,
141 for administrative services. The Board may plan and direct its work
142 through a designated employee of the City of Seabrook, or other
143 contractual entity, who will be charged with the responsibility of carrying
144 out the Corporation's plan and program as adopted by the Board.
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146 e. The Board shall make a detailed annual report to the City Council once
147 each year [~~no later than February 1~~]. This report shall include, but not
148 be limited to, the following:
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150 1. A review of all expenditures made by the Board in connection with
151 their activities involving direct economic development as defined
152 in this Section together with a report of all other expenditures
153 made by the Board.
- 154 2. A review of the accomplishments of the Board in the area of direct
155 economic development.
- 156 3. The policies and strategy followed by the Board in relation to
157 direct economic development, together with any new or proposed
158 changes in said policies and strategy.

- 159 4. The activities of the Board for the budget year addressed in said
160 annual report, together with any proposed change in said activity
161 or activities as they relate to direct economic development.
162 5. A review of the activities of the Board in areas of endeavors other
163 than direct economic development, together with any proposed
164 changes in these activities.
165 6. An annual report for consideration for review and acceptance by the
166 City Council.
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168 f. The Board shall be accountable to the City Council for all activities
169 undertaken by them or on their behalf, and shall report on all activities of
170 the Board, whether discharged directly by the Board or by any person, firm,
171 corporation, agency, association or other entity on behalf of the Board. A
172 mid-year report, [~~covering the period October 1 to March 31~~], shall be made
173 by the Board to the City Council, [~~This semi-annual report~~] and [~~shall be~~
174 ~~made no later than June 1. This report~~] shall include, but not be limited to
175 the following:
- 176 1. Accomplishments to date as compared with the overall plan or
177 strategy for direct economic development.
178 2. Anticipated short-term challenges during the next six-month
179 reporting period, together with recommendations to meet short-term
180 challenges.
181 3. Long-term issues to be addressed over the succeeding twelve-
182 month period or longer period of time, together with
183 recommendations to meet such issues with emphasis to be placed
184 on direct economic development.
185 4. A recap of all budgeted expenditures for the first six (6) months of
186 the fiscal year, together with a recap of unused budgeted funds and
187 any commitment made on said unused funds.
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Implied Duties

4.06 The Corporation is authorized to do that which the Board deems desirable to accomplish any of the purposes or duties set out in Sections 2.01 and 4.05 of these Bylaws and in accordance with State law.

Meetings

4.07 The Board shall hold regular meetings, generally, once a month. The [President] Chair may call special meetings when, in his/her judgment, such meetings are necessary. All meetings of the Corporation shall be held at City Hall or another facility within the city. If there is no business to discuss, the [President] Chair shall notify the Directors. All meetings of the Board shall provide notice and be conducted as provided for and in accordance with the requirements of the Texas Open Meetings Act, Texas Government Code Chapter 551, as amended.

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

Attendance

4.09 Regular attendance at the Board meetings is required of each Director and the attendance record of each Director shall be submitted to the Council prior to any reappointment to the Board. The following number of absences may constitute the need for replacement of a Director: three (3) consecutive absences or attendance reflecting unexcused absences; or absences constituting fifty percent (50%) of the regularly scheduled meetings over any twelve (12) month period. In the event replacement for unexcused absences is indicated, the [President] Chair will counsel the Director, and subsequently, the [President] Chair shall submit, in writing to the City Secretary, to be forwarded to the City Council, a request to consider replacing the Director in question.

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Quorum

225 4.10 For the purposes of convening a meeting and transacting the business of the
226 Corporation at any meeting, a majority of the appointed members of the Board shall
227 constitute a quorum. If there is an insufficient number of Directors present to convene
228 a meeting and transact business, the presiding officer shall adjourn [~~cancel~~] the
229 meeting.

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Compensation

232 4.11 The Directors shall serve without compensation, but shall be reimbursed as
233 allowed by State law and approved by the Board, for actual or commensurate costs
234 of travel, lodging, and/or incidental expenses incurred while performing official
235 business of the Board.

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Voting; Action of the Board of Directors

238 4.12 Directors must be present in order to vote at any meeting. Unless otherwise
239 provided in these Bylaws, the Corporation's Articles of Incorporation, or State law,
240 the act of a simple majority of the Directors present at any meeting is sufficient to
241 constitute action of the Board and authorize the [~~President~~] Chair of the Board to take
242 further action. For any vote or item presented for action to the Board, for which a
243 Director is aware of a conflict of interest or potential conflict of interest, with regard to
244 any particular vote, the Director shall bring the same to the attention of the Board, file
245 any affidavit required to be filed by state law, and shall abstain from discussion and
246 voting. Any Director may bring any apparent conflict of interest to the attention of the
247 Board before any vote shall be taken regarding that particular matter. In absence of a
248 conflict of interest, each Director present at the meeting shall vote for or against each
249 question brought before the Board.

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

256 4.13 In accordance with State law, the City Council shall require the Corporation to
257 be responsible for the proper discharge of the duties assigned in this Article. All
258 policies for program administration shall be submitted for City Council approval, and
259 the Board shall administer said programs accordingly. The Board shall determine its
260 policies and direction within the limitations of the duties herein imposed, by applicable
261 laws, the Corporation's Articles of Incorporation, these Bylaws, contracts entered into
262 with the City, and budget and fiduciary responsibilities.

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Administration of Economic Development Programs

265 4.14 The Corporation may, with approval of the City Council, contract with the
266 City of Seabrook, or with another entity or individual, for full or part-time employees
267 as needed to carry out the programs of the Corporation. These employees shall
268 perform those duties outlined in state law, and any employees may be included
269 within the City's retirement and insurance plans, provided the Corporation
270 reimburses the City for these costs.

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272 4.15 The Corporation and the City may agree in writing for the provision of required
273 administrative services necessary for the operation of the Corporation, whether in
274 addition to or in place of any Corporation employees. The Corporation shall
275 reimburse the City for the City's actual costs. The Board shall make any request for
276 services of the City in writing to the City Manager. The City Manager may approve
277 any request for assistance when he/she finds the requested services are available
278 within the administrative departments of the City, and that the Board has agreed to
279 reimburse the administrative department's budget for the costs of the services
280 provided.

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282 4.16 The Board is authorized to hire its own legal counsel.

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284 4.17 The Corporation may, with approval of the City Council, contract with any
285 qualified and appropriate person, association, corporation, or governmental entity to
286 perform and discharge designated tasks which will aid or assist the Board in the

287 performance of its duties. However, no contract shall ever be approved or entered
288 into which seeks or attempts to divest the Board of Directors of its discretion and
289 policy-making functions in discharging the duties hereinabove set forth.

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ARTICLE FIVE

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OFFICERS

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Officers of the Corporation

295 5.01 The elected officers of the Corporation shall be Chair [~~President~~], Vice-Chair
296 [~~President~~], Secretary, and Treasurer. The Board may resolve to elect one or more
297 Assistant Secretaries or one or more Assistant Treasurers as it may consider
298 desirable. Officers shall have the authority and perform the duties of their office as
299 the Board may prescribe or as the Secretary or Treasurer may delegate to his or
300 her respective Assistant. No Director shall hold more than one office at any time.

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Selection of Officers

303 5.02 The officers shall be elected by the Board and shall serve for a term of one (1)
304 year. The term of office of each officer shall always be for a period of one (1) year;
305 provided, however, each officer shall continue to serve until the election of his or her
306 successor unless the Director has been replaced. The Mayor shall not serve as an
307 officer. Elections shall be held at the annual meeting of the Board.

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Vacancies

310 5.03 A vacancy in any office, which occur by reason of death, resignation,
311 disqualification, removal, or otherwise, may be filled by appointment by the Board of
312 Directors for the unexpired portion of the term of that office, in the same manner as
313 other officers are elected by the Board.

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[President] Chair

321 5.04 The Chair [President] shall be the presiding officer of the Board. In general, the
322 Chair [President] shall perform all duties incident to the office, and other duties as
323 shall be prescribed by the Board of Directors. The [President] Chair shall also have
324 the following specific authority:

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a. To preside over all meetings of the Board;

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b. To vote on all matters coming before the Board;

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c. To call a special meeting of the Board, upon notice to all Board members
329 when, in his judgment, a meeting is necessary;

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d. To cancel any regularly scheduled meeting of the Board when there is
331 no business to discuss, provided s/he gives notice to the Board and to
332 the public of the cancellation, as provided in Section 4.07 hereof.

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In addition to the above-mentioned duties and authority, the [President] Chair shall sign,
335 with the Secretary of the Board, any resolutions, policies, deeds, mortgages, bonds,
336 contracts, or other instruments, which the Board of Directors has approved and unless
337 execution of said document has been expressly delegated to some other officer or
338 agent of the Corporation by appropriate Board resolution, by a specific provision of
339 these Bylaws. All instruments are subject to the approval of the City Council, which
340 approval shall be noted thereon. In general, the [President] Chair shall perform all
341 duties incident to the office, and other duties as prescribed by the Board.

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Vice [President] Chair

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5.05 In the absence of the [President] Chair, or in the event of his or her inability to
345 act, the Vice [President] Chair shall perform the duties of the [President] Chair. When
346 so acting, the Vice [President] Chair shall have all powers of shall perform the duties of
347 the [President] Chair. When so acting, the Vice [President] Chair shall have all powers of
348 and be subject to all the same restrictions as the [President] Chair. The Vice
349 [President] Chair shall also perform other duties as may be assigned to him or her by
350 the [President] Chair.

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Secretary

353 5.06 The Secretary shall be the custodian of the records and seal of the
354 Corporation, and shall keep a register of the current mailing address and street
355 address, if different, of each Director. The Secretary shall cause to be kept, a record
356 of the minutes of all meetings of the Board, of any committee of the Board, and all
357 records of the Corporation, with the City Secretary in accordance with State law.

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Treasurer

360 5.07 The Treasurer shall cause to be kept, at the Corporation's registered office, a
361 record of all receipts and expenditures of the funds of the Corporation. The Treasurer
362 shall perform all the duties incident to that office and other duties as may be assigned
363 by the [~~President~~] Chair of the Board.

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Assistant Secretaries and Assistant Treasurers

366 5.08 The Assistant Secretaries and Assistant Treasurers, shall perform the duties
367 assigned by the [~~President~~] Chair or the Board.

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ARTICLE SIX

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COMMITTEES

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Standing Committees

373 6.01 The Board of Directors may appoint standing committees with duties and
374 powers as the Board deems appropriate.

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Special Committees

377 6.02 The Board of Directors may determine that other committees are necessary or
378 appropriate to assist the Board of Directors, and shall designate, subject to Board
379 approval, the Directors of the respective committees.

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Limitation on Committee Authority

386 6.03 No committee shall have the independent authority to act for or in place of the
387 Board of Directors or to expend any funds, but shall act only in an advisory capacity,
388 and shall report back to the Board as directed.

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391 6.04 The designation and appointment of any committee, and delegation to that
392 committee of any authority, shall not operate to relieve the Board of Directors, or any
393 individual Director, of any responsibility imposed upon it or upon him or her by law.

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Term of Office of Committee Members

395 6.05 Each member of a committee shall serve until the next annual appointment of
396 the Board of Directors and until his or her successor is appointed, unless the
397 committee is terminated sooner, the member has ceased to serve on the Board of
398 Directors, or is removed from the committee.

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401 6.06 Any committee member may be removed from a committee by the Board
402 whenever in its judgment the best interests of the Corporation would be served by
403 removal.

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Vacancies on Committees

405 6.07 Vacancies in the membership of any committee may be filled in the same
406 manner as the original appointments.

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ARTICLE SEVEN

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FINANCIAL ADMINISTRATION

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The Corporation's financial administration shall be conducted as follows:

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Fiscal Year

414 7.01 The fiscal year of the Corporation shall begin on October 1 and end on
415 September 30 of the following year.

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Budget

7.02 A budget for the forthcoming fiscal year shall be submitted to, and approved by, the Board of Directors and the City Council of the City of Seabrook. Once a budget is approved, this constitutes approval for the Corporation to expend Corporation funds in accordance with the budget. The budget may be amended, subject to the same approval requirements, to allow for changes in economic development priorities or to respond to an economic development opportunity.

Contracts

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

Checks and Drafts

7.04 No check, draft, order for the payment of money or evidence of indebtedness shall be prepared or signed unless same is in accordance with the approved Corporation budget, or an approved budget amendment. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be approved by the Board and signed by two officers of the Corporation or their designees.

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Deposits

452 7.05 All funds of the Corporation shall be deposited, on a regular basis, to the credit
453 of the Corporation in a local bank, which shall be federally insured and shall be
454 selected following the procedures and requirements for selecting a depository as set
455 forth in Chapter 105 of the Texas Local Government Code.

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Gifts

458 7.06 The Corporation may accept any contribution, gift, bequest, or device for the
459 general purpose or for any special purpose of the Corporation.

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Purchasing

462 7.07 All purchases made and contracts executed by the Corporation shall be made
463 in accordance with the requirements of the Texas Constitution and laws of the State
464 of Texas.

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Investments

467 7.08 Temporary and idle funds, which are not needed for immediate obligations of
468 the Corporation, may be invested in any legal manner as provided in Chapter 2256
469 of the Texas Government Code, (the Public Funds Investment Act).

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Bonds

472 7.09 The Corporation is authorized to issue bonds for appropriate projects, provided
473 they are issued in accordance with all applicable state laws, and with the approval of
474 the Seabrook City Council, after review and comment by the City's bond counsel and
475 financial advisor.

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Uncommitted Funds

478 7.10 Any funds of the Corporation that are uncommitted at the end of the fiscal year
479 shall be considered a part of the Fund Balance of the Corporation. The undesignated
480 Fund Balance may be designated for any legal purpose, provided both the
481 Corporation's Board of Directors and the City Council approve the commitment. This
482 designation may include the establishment of a Permanent Reserve Fund, which

483 shall be accumulated for the purpose of using the interest earnings of the Fund to
484 finance operation of the Corporation.

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Monthly Reports

487 7.11 The City financial office will provide to the Board of Directors a monthly report
488 of all matters required, permitted, or done pursuant to this Article or any contract.

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Annual Audit; Bonding Requirements for Third Party Audits

491 7.12 An annual audit of the Corporation's books and funds shall be prepared by a
492 competent independent audit firm as soon as practical following the end of each fiscal
493 year. The Corporation audit shall generally be completed in conjunction with the City's
494 audit. Provided, however, that the Corporation may contract with a third party to
495 perform the Corporation's financial and accounting requirements, including the
496 annual audited financial statement, with the approval and consent of the City Council.
497 The City of Seabrook, or any other contractual entity providing financial services to
498 the Corporation, shall provide to the Board of Directors an annual audited financial
499 statement of all funds.

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501 7.13 If the Corporation independently contracts with an entity other than the City for
502 financial accounting and auditing services, the entity shall be required to provide an
503 official bond in the sum of not less than One hundred Thousand Dollars
504 (\$100,000.00). Such bond shall be procured from a regularly accredited surety
505 company authorized to do business in the state. A copy of the bond shall be filed
506 with the Corporation and with the City Secretary.

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508 7.14 If the Corporation's audit is not completed with the City's, and the Corporation
509 does not elect to contract for financial services, the [~~President~~] Chair, Vice [~~President~~]
510 Chair, and Treasurer of the Board shall each give an official bond in the sum on not
511 less than One Hundred Thousand Dollars (\$100,000.00). The bonds referred to in
512 this section shall be considered for the faithful accounting of all monies and things of
513 value coming into the hands of such officers. The bonds shall be procured from some
514 regularly accredited surety company authorized to do business in the state. The

515 premiums shall be paid by the Corporation. A copy of each officer's bond shall be
516 filed with the City Secretary.

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ARTICLE EIGHT

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BOOKS AND RECORDS

520 The Corporation shall keep correct and complete books and records of all
521 actions of the Corporation, including books and records of accounts and the minutes
522 of meetings of the Board of Directors and of any committee having any authority of
523 the Board and to the City Council. Members of the City Council and Directors of the
524 Corporation may inspect the books of the Corporation, and any information that
525 may be designated by law as public information shall be open to public inspection at
526 any reasonable time. The Texas Public Information Act, Chapter 552, Texas
527 Government Code, shall apply to any disclosure of the Corporation's records.

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ARTICLE NINE

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SEAL

531 The Board of Directors shall obtain a corporate seal which shall bear the words
532 "Corporate Seal of Seabrook Economic Development Corporation"; thereafter, the
533 Board may use the corporate seal and may later alter said seal as necessary, without
534 changing the corporate name; however, these Bylaws shall not be construed to
535 require the use of the corporate seal.

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ARTICLE TEN

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AMENDMENTS TO BYLAWS

539 10.01 These Bylaws may be amended or repealed, or new Bylaws may be adopted
540 by an affirmative vote of not less than five (5) of the authorized Directors serving on
541 the Board; provided however, that at least ten (10) days prior to the meeting at which
542 action is taken, written notice setting forth the proposed action shall have been given
543 to all Directors, and public notice regarding the action has been given according to
544 the requirements of State law.

545 10.02 No amendment or new Bylaw shall become effective until approved by the City
546 Council.

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ARTICLE ELEVEN

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DISSOLUTION

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Dissolution of the Corporation may be effected as provided for in the Act.

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ARTICLE TWELVE

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INDEMNITY

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12.01 The Corporation hereby agrees to indemnify and hold harmless each current or former Director or Officer of the Corporation from and against any costs, expenses (including attorney's fees), fines, settlements, judgments, liabilities, and other amounts, actually and reasonably incurred in any action, suit, or proceeding to which he or she is made a party by reason of holding this position in accordance with the limitations imposed by law; provided, however, an Officer or Director shall not be eligible for indemnification if he/she is finally adjudicated to be liable for gross negligence or intentional/willful misconduct with respect to the matter for which indemnity is sought. The indemnification herein provided shall also extend to good faith expenditures incurred in anticipation or, or preparation for, threatened or proposed litigation. The Board of Directors may, in proper case, extend this indemnification to cover the good faith settlement of any action, suit, or proceedings, whether formally instituted or not.

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12.02 The Corporation is authorized to secure independent insurance or to participate in and be included in the coverage provided by the City of Seabrook through the Texas Municipal League Insurance Risk Pool, or other insurance program.

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579 any liability arising out of or resulting from the intentional acts or negligence, including all
580 causes of action based upon common, constitutional, or statutory law, or based in whole
581 or in part upon the negligent or intentional acts or omissions of the Corporation, including but
582 not limited to its officers, agents, employees , licensees, invitees, and other persons.

583
584 12.04 [~~It is further agreed that,~~] With respect to the above indemnity, the City of Seabrook
585 and the Corporation will provide each other with prompt and timely notice of any event
586 covered that in any way, directly or indirectly, contingently or otherwise, affects or might
587 affect the Corporation or the City of Seabrook, and the City shall have the right to
588 compromise and defend the same to the extent of its own interests. It is further agreed
589 that this indemnity clause shall be an additional remedy to the City of Seabrook and not
590 an exclusive remedy.

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592 12.05 Furthermore, as set out in the Act, the Corporation, a Director of the Corporation,
593 the City creating the Corporation, a member of the governing body of the City, or an
594 employee of the Corporation or City is not liable for damages arising from the performance
595 of a governmental function of the Corporation or City. For the purposes of Chapter 101,
596 Civil Practice and Remedies Code, the Corporation is a governmental unit and its actions
597 are governmental functions.

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599 **ARTICLE THIRTEEN**
600 **MISCELLANEOUS**

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602 **Relation to Articles of Incorporation**

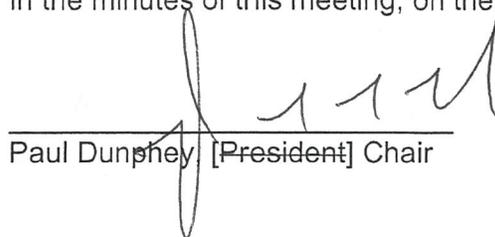
603 These Bylaws are subject to, and governed by, the Corporation's Articles of
604 Incorporation, and applicable State statutes under which the Corporation is organized

605
606 **CERTIFICATE**

607 This is to certify that the foregoing is a true and correct copy of the amended
608 Bylaws of the Corporation and that these Bylaws were duly amended and adopted by the
609 Board of Directors of the Corporation on the date set forth below.

611 Adopted as amended, by an affirmative vote of the Board of Directors, as reflected
612 in the minutes of this meeting, on the 7th day of February, 2019.

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Handwritten signature of Paul Dunphy in blue ink, written over a horizontal line.

Paul Dunphy [President] Chair

620 ATTEST:
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623 Ernie Davis
624 Ernie Davis, Secretary

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