

RESOLUTION NO. 22-026

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF MARLIN, TEXAS, APPROVING THE BYLAWS OF THE MARLIN 4-B ECONOMIC DEVELOPMENT CORPORATION; AND PROVIDING FOR OPEN MEETINGS, AND EFFECTIVE DATE CLAUSES.

WHEREAS, by City Council Resolution No. 22-003 adopted on February 8, 2022, the City Council for the City of Marlin ("City Council") approved and authorized the creation of the Marlin 4-B Economic Development Corporation pursuant to Chapter 505 of the Texas Local Government Code;

WHEREAS, the Board of Directors of the Marlin 4-B Economic Development Corporation ("Board") approved and adopted the initial bylaws of the Marlin 4-B Economic Development Corporation as authorized by Chapter 501 of the Texas Local Government Code;

WHEREAS, Section 501.064 of the Texas Local Government Code requires that the Bylaws of the Marlin 4-B Economic Development Corporation adopted by the Board must be approved by City Council; and

WHEREAS, the City Council for the City of Marlin adopts this Resolution approving of the initial bylaws adopted by the Board of Directors of the Marlin 4-B Economic Development Corporation,

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

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and are made a part hereof for all purposes as findings of fact.

Section 2. Adoption of Bylaws. The Bylaws of the Marlin 4-B Economic Development Corporation attached to this Resolution as **Exhibit "A"** have been approved by the Board of Directors of the Marlin 4-B Economic Development Corporation.


Section 3. City Council Approval of Bylaws. The City Council approves of the Bylaws of the Marlin 4-B Economic Development Corporation attached to this Resolution as **Exhibit "A"** as required by Section 501.064 of the Texas Local Government Code.

Section 4. Effective Date. This Resolution shall become effective from and after the date of its passage in accordance with the Texas Local Government Code and the City Charter.

Section 5. Open Meetings. That the City Council has found and determined that the meeting at which this Resolution is considered is open to the public and that notice thereof was given in accordance with the provisions of the Texas Open Meetings Act, Texas Government Code, Chapter 551, as amended, and that a quorum of the City Council was present.

RESOLUTION PASSED AND APPROVED on this the 8th day of November, 2022.

ATTEST:



Maryann Waddle, City Secretary

CITY OF MARLIN, TEXAS



Carolyn Lofton, Mayor

BYLAWS OF
THE
MARLIN 4-B ECONOMIC DEVELOPMENT CORPORATION

These Bylaws govern the affairs of the Marlin 4-B Economic Development Corporation (the "Corporation"), a non-profit corporation organized under the Development Corporation Act of 1979 (the "Act") and governed by Sec. 4B of the Act (Chapter 505 Type B Corporations, of the Texas Local Government Code).

ARTICLE I — NAME, PURPOSES, POWERS AND OFFICES

Section 1.1. Name of Corporation. The name of this corporation is the Marlin 4-B Economic Development Corporation, Inc.

Section 1.2. Purposes. The Corporation acts on behalf of the City of Marlin, Texas, in furtherance of the public purposes of the Act. (Chapter 505 Type B Corporations, of the Texas Local Government Code).

Section 1.3. Non-Profit Purpose of the Corporation. No dividends shall ever be paid by the Corporation and no part of its net income or earnings shall inure to the benefit or be distributable to any director, officer, or other private person, except for the retirement of indebtedness and for the purposes authorized by the Act; provided that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes as set forth in these Articles; and provided that, in the event the Board of Directors of the Corporation shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation issued to finance its public purposes, then, in that event, any net earnings of the Corporation thereafter accruing may be paid to the City.

Section 1.4. Powers. The Corporation has all the powers, both express and implied, granted to corporations by the Act.

ARTICLE II — OFFICES

Section 2.1. Offices. The principal office of the Corporation is: **101 Fortune Street, Marlin, Texas 76661**. The Board of directors may, with the approval of City Council for the City of Marlin, Texas, provide for additional offices or a change of office within the City of Marlin, Texas.

Section 2.2. Registered Office. The Corporation shall comply with the requirements of the Act in the maintenance of a registered office and registered agent. The Corporations' registered agent must be an individual and a resident of the State of Texas and the Corporation's registered office must be within the boundaries of the City of Marlin, Texas. The registered office may, but

need not, be identical to the Corporation's principal office in Texas. The Board of Directors may change the registered office and registered agent as provided in the Act.

ARTICLE III — THE BOARD OF DIRECTORS

Section 3.1. No Members. The Corporation has no members and is a nonstock Corporation.

Section 3.2. Management of the Corporation. The activities, property and affairs of the Corporation shall be managed exclusively by its Board of Directors.

Section 3.3. Number and Qualifications. The Board of Directors shall consist of seven (7) members (for Places 1-7) who shall each be appointed by the City Council for the City of Marlin, Texas. Directors are not required to be a resident of the City of Marlin, but each Director shall meet the qualifications as otherwise required by State law as set forth under Section 505.052 of the Texas Local Government Code. At least three of the Directors must not be employees or officers of the City of Marlin, or members of the City Council. A Director who is a member of City Council shall cease being a Director upon ceasing to be a member of the City Council.

Section 3.4. Term of Office. Each Director shall be appointed by the City Council of the City of Marlin for a two (2) year term of office each. Places 1, 3, 5, and 7 will be appointed in even numbered years and places 2, 4, and 6 will be appointed in odd-numbered years. Terms begin on January 1 of each year.

Section 3.5. Compensation. The Directors will serve without compensation, but Directors will be reimbursed for their actual expenses incurred in the performance of their duties as directors.

Section 3.6. Filling of Vacancies. Any vacancy occurring in the Board of Directors resulting from the death, resignation, retirement, disqualification or removal from office of any director shall be filled by the City Council for the City of Marlin, Texas.

Section 3.7. Meetings of the Board: Place of Meeting. All meeting of the Board shall comply with the Texas Open Meetings Act, Tex. Gov't Code Chapter 551. The Board will conduct all meetings within the boundaries of the City and in accordance with the Act.

Section 3.8. Annual Meetings. An annual meeting of the Board of Directors shall be held in January of each year. The Board of Directors shall designate the time and location of the annual meeting which shall be held in the principal office of the Corporation.

Section 3.9. Regular Meetings. The Board of Directors may, by resolution, establish the date, time, and place of regular meetings. The meetings shall be held within the City of Marlin, Texas, at the principal office of the corporation or at such other locations as the Board of Directors may designate.

Section 3.10. Special Meetings. Special meetings of the Board of Directors may be called by the President or at the request of any three (3) Directors. The President or Directors calling a special meeting shall fix the time and place of the meeting which shall be held within the City of Marlin, Texas, at the principal office of the corporation or at such other locations as the Board of

Directors may designate. The President or Directors calling a special meeting shall designate the items to be discuss or considered at the special meeting. The President or Directors calling a special meeting shall notify the Secretary of the Corporation of the information needed to be included in a notice of a special meeting. In addition to the posting of a special meeting notice in accordance with these Bylaws, a copy of each such special meeting notice shall be delivered to each Director not less than seventy-two hours (72) hours before the time of the meeting. A special meeting notice shall be deemed delivered to any Director when deposited in the United States mail addressed to the Director at his or her address as it appears in the records of the Corporation. Such additional notice may be waived in writing by a Director at any time either before or after the time of the meeting and such additional notice shall be deemed waived by attendance, except when a Director attends a special meeting for the express purpose of objecting to the transaction of business on the grounds that such special meeting has not been lawfully called or convened.

Section 3.11. Notice of Meetings. The Board of Directors shall be considered a “governmental body” within the meaning of Section 551.001 Texas Government Code, and each meeting shall be given in accordance with Chapter 551 of the Texas Government Code (“Texas Open Meetings Act.”).

Section 3.12. Quorum. A majority of the then current membership of the Board of Directors constitutes a quorum. The presence of a director may not be established by proxy. No business shall be conducted, nor shall any action be taken by the Board of Directors in the absence of a quorum. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3.13. Voting. Each Member of the Board of Directors shall be entitled to one (1) vote on each matter submitted to a vote at any meeting of the Board of Directors.

Section 3.14. Duties of Directors. Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of the corporation, directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Corporation, and which are lawful and shall refrain from actions not in the best interest of the Corporation or which would be unlawful.

Section 3.15. Removal of Directors. Any director may be removed, either for or without cause at any time, by the City Council for the City of Marlin, Texas.

Section 3.16. Committees of Directors. The Board of Directors may by resolution establish one or more special or standing committees of its members. Such committees shall have the powers, duties, and responsibilities established by the Board of Directors. The committees shall keep regular minutes of their meetings and report the same to the Board of Directors when required.

Section 3.17. Electronic Meetings. Subject to the provisions of Chapter 551 of the Texas Government Code, the Texas Open Meetings Act, members of the Board of Directors or members of any committee designated by such Board may conduct, participate in, and vote in any meeting of such Board of Directors or committee by using conference telephone or similar communications equipment, or another suitable electronic communications system, including videoconferencing technology, or any combination, if the telephone or other equipment system permits each person

participating in the meeting to communicate with all other persons participating in the meeting. If voting is to take place at the meeting, reasonable measures must be implemented to verify that every person voting at the meeting by means of remote communications is sufficiently identified and a record must be kept of any vote or other action taken. Participation in a meeting pursuant to this Section 3.17 shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened. The statutory requirements of the Texas Open Meetings Act shall prevail and apply in the event of any conflict between this Section and the Texas Open Meetings Act

Section 3.18. Indemnification of Directors. Each person who acts as a director of the Corporation shall be indemnified by the Corporation, and such indemnity shall be mandatory, to the fullest extent allowed by law, including without limitation as provided for by the Act, any costs, expenses, and liabilities which may be imposed upon or reasonably incurred by the director in connection with any civil or criminal action, suit, or proceeding in which he may be named as a party defendant by reason of him or her being or having been such a director or by any reason of any action alleged to have been taken or omitted by him or her in such capacity, and any person who, at the request of the Corporation, acts as a director of any of its subsidiary or affiliate corporations shall likewise be indemnified by the Corporation against any such costs, expenses, and liabilities. The right of indemnification herein provided for shall inure to each of the directors of the Corporation, whether or not the respective director is acting as such at the time such costs, expenses, or liabilities are imposed or incurred. Any repeal or modification of this Article shall be prospective only and shall not limit the obligation of the corporation to indemnify a director of the corporation serving at or prior to the time of the repeal or modification.

ARTICLE IV — OFFICERS

Section 4.1. Officer Positions. The officers of the Corporation shall be a president, a vice president, a secretary, and a treasurer. The Board of Directors shall elect each officer.

Section 4.2. Election and Terms of Office. The president, a vice president, a secretary, and a treasurer of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting in January of each year. The term of office for each such officer shall be one (1) year ending on the 31st day of December of that same year.

Section 4.3. Removal of Officers. Any officer may be removed by the Board of Directors at any time, with or without cause. The removal of an officer does not also result in the removal of such person as a director of the Corporation.

Section 4.4. Vacancies. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the officer's term.

Section 4.5. President. The president shall be the chief executive officer of the Corporation. The president shall supervise and control all of the business and affairs of the Corporation and must be a member of the Board. The president shall preside at all meetings of the Board of Directors. When the execution of any contract or instrument shall have been authorized by the Board of Directors, the president shall execute same except where such power is expressly

delegated to another officer of the Corporation. The president shall perform other duties prescribed by the Board of Directors and all duties incident to the office of president.

Section 4.6. Vice President. When the president is absent, is unable to act, or refuses to act, the vice president shall perform the duties of the president. When acting in place of the president, the vice president shall have all the powers and duties as the president and be subject to all of the limitations and restrictions placed upon the president. The vice president must be a member of the Board.

Section 4.7. Secretary. The secretary shall:

- (a) Authenticate corporate documents and affix the seal of the Corporation as required;
- (b) Give all notices as provided in the Bylaws or as required by law;
- (c) Take minutes of the meetings of the Board of Directors and keep them as part of the corporate records;
- (d) Maintain custody of the corporate records;
- (e) Keep a register of the mailing addresses of each director and officer of the Corporation;
- (f) Perform duties as assigned by the Board of Directors; and
- (g) Perform all other duties incident to the office of secretary.

The secretary may either be elected from among the members of the Board, or the Board may elect the City Secretary to fill this position.

Section 4.8. Treasurer. The treasurer shall:

- (a) Compile reports on the finances of the Corporation and present same to the Board at its monthly and annual meetings;
- (b) Have charge and custody of and be responsible for all funds and securities of the Corporation;
- (c) Receive and give receipts for moneys due and payable to the Corporation from any source;
- (d) Deposit all moneys in the name of the Corporation in banks, trust companies, or other depositories as shall be selected by the Board of Directors;
- (e) Write checks and disburse funds to discharge obligations of the Corporation;
- (f) Maintain the financial books and records of the Corporation;
- (g) Prepare financial reports at least annually;

- (h) Perform other duties as assigned by the Board of Directors; and
- (i) Perform all duties incident to the office of treasurer.

The treasurer may either be elected from among the members of the Board, or the Board may elect the City's Finance Director to fill this position.

ARTICLE V — TRANSACTIONS OF THE CORPORATION

Section 5.1 Contracts. The Board of Directors may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of or on behalf of the Corporation. This authority may be limited to a specific contract or instrument or it may extend to any number and type of contracts and instruments. Contracts or agreements entered into by the Corporation require the approval of the City Council for the City of Marlin, Texas, to the extent such approval is required by the Act and Chapter 505 Type B Corporations, of the Texas Local Government Code.

Section 5.2 Depository. The Board of Directors of the Corporation shall designate a depository bank. All funds of the Corporation shall be deposited with the depository bank.

Section 5.3 Potential Conflicts of Interest. The members of the Board of Directors shall be considered local public officials within the meaning of Texas Local Government Code, Chapter 171. If a director has a substantial interest, as that term is defined in Texas Local Government Code, Chapter 171, 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 Corporation stating the nature and 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 Texas Local Government Code, Chapter 171, the interested director shall abstain from any vote or decision upon the matter.

ARTICLE VI — BOOKS AND RECORDS

Section 6.1 Required Books and Records. The Corporation shall keep correct and complete books and records of account. The Corporation's books and records shall include:

- (a) A file endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including, but not limited to, the Articles of Incorporation, any Articles of Amendment, Restated Articles, Articles of Merger, Articles of Consolidation, and statement of change of registered office or agent.
- (b) A copy of the Bylaws and any amended versions or amendments to the Bylaws.
- (c) Minutes of the proceedings of the Board of Directors.
- (d) A list of names and addresses of the directors and officers of the Corporation.

- (e) A financial statement showing the assets, liabilities, and net worth of the Corporation at the end of each fiscal year.
- (f) A financial statement showing the income and expenses of the Corporation for each fiscal year.
- (g) All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status.
- (h) The Corporation's federal, state and local information or income tax returns for each of the Corporation's tax years.

Section 6.2 Records Open to the Public. The Corporation shall be considered a "governmental body" within the meaning of Texas Government Code, Sec. 552.003 and all records of the Corporation shall be made available to the public for inspection or reproduction in accordance with the requirements of Texas Government Code, Chapter 552 ("The Texas Public Information Act").

Section 6.3 Audit. The Board of Directors shall require that an annual independent audit of the financial records of the Corporation be conducted. The City Council of the City of Marlin, Texas, may at any time require an independent audit of the Corporation's books to be conducted.

ARTICLE VII — FISCAL YEAR

Section 7.1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of October and end on the last day of September.

ARTICLE VIII — AMENDMENTS TO OR REPEAL OF THE BYLAWS

Section 8.1. Amendments to the Bylaws; Repeal. These Bylaws may be altered, amended, or repealed by the Board of Directors with the consent and approval of the City Council of the City of Marlin, Texas.

ARTICLE IX — MISCELLANEOUS PROVISIONS

Section 9.1 Legal Authorities Governing Construction of Bylaws. The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of The Development Corporation Act of 1979 applicable to corporations governed under Section 4B of that Act are incorporated within these Bylaws by reference. In the event of any conflict between the applicable provisions of such Act and these Bylaws, then the applicable provisions of such Act shall control.

Section 9.2 Legal Construction. If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other

provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Section 9.3 Headings. The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

Section 9.4 Seal. The Board of Directors may provide for a Corporation seal. Such seal shall contain the words "Marlin 4-B Economic Development Corporation" and "Texas."

Section 9.5. Parties Bound. These Bylaws shall be binding upon and inure to the benefit of the directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns except as otherwise provided in the Bylaws.

Section 9.6. 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 both the Board of Directors and the City Council of the City of Marlin, Texas.

CERTIFICATE OF THE SECRETARY

I certify that I am the duly elected Secretary of the Marlin 4-B Economic Development Corporation, Inc., and the forgoing Bylaws constitute the *Bylaws of the Marlin 4-B Economic Development Corporation*. These Bylaws were duly adopted at a meeting of the Board of Directors held on the 28th day of June, 2022, and subsequently approved by the City Council of the City of Marlin, Texas at a meeting held on the 8 day of November, 2021.

Signed on this the 28th day of June, 2022.

Wannika Muhammad
Secretary of the Corporation