



City Of Seagraves

RESOLUTION NO. 19-04-01-A

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAGRAVES, TEXAS, AUTHORIZING TERMINATION OF THE SEAGRAVES ECONOMIC DEVELOPMENT CORPORATION TYPE 4-A; APPROVING A TERMINATION PLAN; AUTHORIZING THE PREPARATION AND EXECUTION OF ALL DOCUMENTS NECESSARY TO DISSOLVE THE CORPORATION AND TRANSFER OF THE CORPORATION'S ASSETS, PROPERTY, BOTH REAL AND PERSONAL, AND/OR ACCOUNTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, a special election was held in the City of Seagraves, Texas (the "City") on November 6, 2018, at which a proposition was submitted to the duly qualified registered voters of the City for their action thereon, said proposition to authorize the repeal of the sales and use tax of one-half (1/2) of one percent for the benefit of the Seagraves Economic Development Corporation, type 4-A ("Corporation"), and simultaneously to adopt a local sales and use tax in the City at a rate of one-half (1/2) of one percent to provide revenue for maintenance and repair of municipal streets; and

WHEREAS, said election was duly and legally held in conformity with the election laws of the State of Texas, and the results of said election have been verified and returned by the proper election judges and clerks; and

WHEREAS, a majority of the voters elected in favor of the abovementioned proposition; and;

WHEREAS, pursuant to section 501.401(a)(2) of the Local Government Code, also known as the Texas Development Corporation Act (the "Act"), section ten of the Corporation's Articles of Incorporation (the "Articles"), and in accordance with the express will of the electorate, the City Council finds and determines that termination of the Corporation is in the best interest of the City.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEAGRAVES, TEXAS, THAT:

SECTION 1: Recitals Incorporated. The findings recited above are incorporated as if fully set forth in the body of this Resolution.

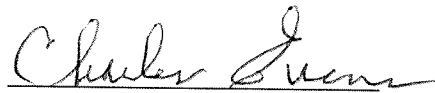
SECTION 2: Termination of Corporation. Pursuant to the voters' decision to authorize the repeal of the above sales and use tax for the benefit of the Corporation, the City Council elects to wind-up and dissolve the Corporation in accordance with the plan of termination, attached hereto as Exhibit "A" and incorporated herein for all purposes. Pursuant to section 501.403 of the Act, the Mayor, or his designee, with assistance of the City Attorney as needed, shall prepare all documents necessary to effectively terminate the Corporation, including but not limited to a certificate of termination.

SECTION 3: Payment of Outstanding Debts and Obligations. The Mayor, or his designee, is authorized to ensure that all debts and financial obligations of the Corporation have been settled in accordance with section eleven of the Articles prior to the filing of the certificate of termination with the Texas Secretary of State. The Mayor shall then certify to the Texas Comptroller of Public Accounts that all bonds, debts and financial obligations of the Corporation have been paid or that provision for satisfaction thereof has been made.

SECTION 4: Transfer of Remaining Properties, Assets and/or Accounts. In accordance with state law and section eleven of the Articles, upon satisfaction or provision for the satisfaction of all debts, claims, and contractual obligations, including any contractual obligations granting rights of purchase of property of the Corporation, any remaining funds or property of any kind, real, personal or mixed, shall be transferred and delivered to the City. The Mayor, or his designee, is authorized to execute any and all documents necessary to effectuate the transfer of the remaining assets to the City.

SECTION 5: Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED this the 1st day of April, 2019.


Charles Evans, Mayor


Attest:

Dan Grife, City Secretary

EXHIBIT "A"
PLAN OF TERMINATION

This Plan of Termination (the "Plan") is intended to accomplish the complete liquidation of the Seagraves Economic Development Corporation (the "Corporation").

1. Adoption of Plan. This Plan shall become effective as of the first date and time that this Plan and resolutions providing for the termination of the Corporation are adopted by the City Council of Seagraves, Texas (the "Effective Date").
2. Notice to Claimants. As promptly as practicable after the Effective Date, the Corporation shall cause written notice of its intention to terminate to be sent by registered or certified mail to each known claimant against the Corporation, if any.
3. Payment of Obligations. As promptly as practicable after the Effective Date, the Corporation shall pay or make adequate provision for the payment of all known debts, obligations or liabilities of the Corporation.
4. Distribution of Assets. As promptly as practicable after the payment of all known debts, obligations, or liabilities of the Corporation (or the provision for such payment is made), the remaining assets of the Corporation, if any, shall be distributed to the City of Seagraves, Texas in accordance with the Texas Business Organizations Code (the "Code") and the Texas Development Corporation Act.
5. Termination. As promptly as practicable after the Effective Date, a Certificate of Termination of the Corporation and related required documents, if any, shall be filed with the Secretary of State of Texas in accordance with the Code, the Texas Development Corporation Act, and all other applicable law.
6. Termination of Business. From and after the Effective Date, the Corporation shall not engage in any business activity, except for operations and activities related to maintaining and preserving its assets pending the termination and winding-up of its affairs in an orderly manner, and its withdrawal from the State of Texas, in which it is qualified to transact business, all in accordance with this Plan and applicable law.
7. Power of the Mayor. The Mayor, or his designee, shall do all acts and things provided for in this Plan and any and all other acts and things that the Mayor, or his designee, may deem necessary or advisable to effectuate the liquidation and dissolution of the Corporation and to carry out fully this Plan in accordance with the laws of the State of Texas.

EXHIBIT - "B" ARTICLES OF INCORPORATION

RES: 19-04-01-b

FILED
In the Office of the
Secretary of State of Texas

ARTICLES OF INCORPORATION

JUN 30 2005

OF

Corporations Section

SEAGRAVES SECTION 4A ECONOMIC DEVELOPMENT CORPORATION

WE, THE UNDERSIGNED natural persons, not less than three in number, each of whom is at least 18 years of age and is a qualified elector of the City of Seagraves, Texas, (the "City"), acting as incorporators of a public instrumentality and non-profit economic development corporation (the "Corporation") under the Development Corporation Act of 1979, as amended, Article 5190.6, Vernon's Ann. Civ. Stat., Section 4A, as amended (the "Act"), with the approval of the City Council, do hereby adopt the following Articles of Incorporation (the "Articles") for the corporation:

ARTICLE ONE

The name of the Corporation is "Seagraves Section 4A Economic Development Corporation."

ARTICLE TWO

The Corporation is a non-profit economic development corporation under the Act and is governed by Section 4A of the Act.

ARTICLE THREE

Subject to the provisions of these Articles, the period of duration of the Corporation is perpetual.

ARTICLE FOUR

The Corporation has no members and is a non-stock corporation.

ARTICLE FIVE

The purpose of the Corporation is to promote economic development within the City of Seagraves and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City, to develop new and existing industrial and manufacturing concerns, and other projects authorized by Section 4A of the Act by developing, implementing, providing, and financing projects under the Act and as defined in Section 4A.

In the fulfillment of its corporate purpose, the Corporation shall have the power to provide financing to pay the cost of projects through the issuance or execution of bonds, notes and other forms of debt instruments, and to acquire, maintain, and lease and sell property, and interests therein, all to be done and accomplished on behalf of the City and for its benefit and to accomplish its public and governmental purposes as a duly constituted authority and instrumentality pursuant to the Act and under, and within the meaning of, the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department and the rulings of the Internal Revenue Service of the United States prescribed and promulgated thereunder.

In fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in these Articles, together with all of the other powers granted to corporations that are incorporated under the Act and that are governed by Section 4A thereof, and, to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities and functions given by the general laws of the State of Texas to non-profit corporations under the Texas Non-Profit Corporation Act, as amended, Article 1396-1.01, et seq, Vernon's Ann. Civ. Stat., as amended.

The Corporation is a corporation having the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52-a of the Texas Constitution, but the Corporation does not have, and shall not exercise the powers of sovereignty of the City, including the power to tax (except for the power to receive and use the sales and use taxes specified in Section 4A of the Act) and the police power, except that the Corporation shall have and may exercise the power of eminent domain when the exercise thereof is approved by the City Council. The Corporation, directors of the Corporation, the City Creating the Corporation, members of the governing body of the Corporation, employees of the Corporation and the employees of the City shall not be and are not liable for damages arising from the performance of any governmental function of the Corporation or City. For purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit and its actions are governmental functions.

No contracts or agreements, bonds, notes, or other debt instruments of the Corporation are or shall ever be deemed to be or constitute the contracts, agreements, bonds, notes, or other debt instruments or other obligations, or the lending of credit, or a grant of the public money or things of value of, belonging to, or by the State of Texas, the City, or any other political corporation, subdivision or agency of the State of Texas, or pledge of the faith and credit of any of them. Any and all such contracts, agreements, bonds, notes and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds received by the Corporation from the sources authorized by Section 4A of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

ARTICLE SIX

These Articles may be amended from time to time by either of the following methods:

- a. Pursuant to the powers of the City contained in the Act, the City Council, by resolution, may amend these Articles by filing amendments hereto with the Secretary of State as provided in the Act.
- b. The Board of Directors (the "Board") of the Corporation may file a written application with the City Council requesting approval of proposed amendments to these Articles, specifying in such application the proposed amendments. If the City Council, by appropriate resolution, finds and determines that it is advisable that the proposed amendments be made, authorizes the same to be made, and approves the form of the proposed amendments, the Board may proceed to amend these Articles in the manner provided by the Act.
- c. The Board shall not have the power to amend these Articles except in accordance with the procedures established in these Articles.

ARTICLE SEVEN

The address of the initial registered office of the Corporation is the City Hall, 309 Hill Street, Seagraves, Texas 79359 and the name of its registered agent at such address is Pat McAdoo. This address shall also serve as the principal address of the Board.

ARTICLE EIGHT

The affairs of the Corporation shall be managed by a Board of Directors (the "directors") which shall be composed of five (5) persons appointed by the City Council. The names and addresses of the persons who are to serve as the initial directors are as follows:

	Names	Addresses	
1.	Irene Conejo	P. O. Box 672	Seagraves, Texas 79359
2.	Ricky Bueno	P. O. Box 1424	Seagraves, Texas 79359
3.	Bobby Vuicich	P. O. Box 1555	Seagraves, Texas 79359
4.	Pat McAdoo	P. O. Box 307	Seagraves, Texas 79359
5.	Wynn Robinson	P. O. Box 1331	Seagraves, Texas 79359

Each director shall hold office for the term for which the director is appointed unless sooner removed or resigned. Each director, including the initial directors, shall be

eligible for reappointment. Directors are removable by the City Council at will and shall be appointed for a term of two (2) years. Initial terms of directors shall be provided by the Corporation's Bylaws. Any vacancy of a director occurring through death, resignation, or otherwise shall be filled by appointment by the City Council, as provided by the Corporation's Bylaws, to hold office until the expiration of the vacating member's term.

ARTICLE NINE

The name and address of each incorporator is:

	Name	Address	
1.	Irene Conejo	P. O. Box 672	Seagraves, Texas 79359
2.	Jackie Orum	P. O. Box 37	Seagraves, Texas 79359
3.	Pat McAdoo	P. O. Box 307	Seagraves, Texas 79359

The initial bylaws shall be in form and substance approved by the City Council in its Ordinance No. 114-A-05 approving these Articles. Such bylaws shall be adopted by the Corporation's board and shall, together with these Articles govern the internal affairs of the Corporation until and unless amended in accordance with these Articles.

Neither the initial bylaws nor any subsequently effective bylaws of the Corporation may be amended without the consent and approval of the City Council. The Board shall make application to the City Council for the approval of any proposed amendments but the same shall not become effective until or unless the same shall be approved by resolution adopted by the City Council.

ARTICLE TEN

The City Council may, in its sole discretion, and at any time, alter or change the structure, organization, programs or activities of the Corporation, and it may terminate or dissolve the Corporation, subject to the provisions of these Articles.

The Corporation may not be dissolved, and its business shall not be terminated, by act of the City Council, election of the voters as prescribed by the Act, or otherwise, so long as the Corporation shall be obligated to pay any bonds, notes, or other obligations and unless the collection of the sales and use tax authorized by Section 4A of the Act is eligible for termination in accordance with the provisions of Section 4A of the Act.

No action shall be taken in any manner or at any time that would impair any contract, lease, right, or other obligation theretofore executed, granted, or incurred by the Corporation.

ARTICLE ELEVEN

No dividend shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to the benefit of its directors or officers, or any individual, private firm, or private corporation or association.

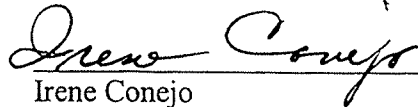
If the Corporation ever should be dissolved when it has or is entitled to any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City of Seagraves after satisfaction or provision for satisfaction of all debts, claims and contractual obligations, including any contractual obligations granting rights of purchase of property of the Corporation.

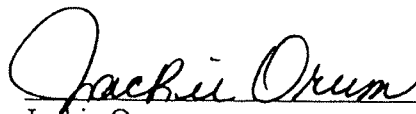
No part of the Corporation's activities shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in any political campaign of or in opposition to any candidate for public office.

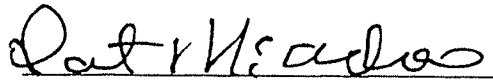
ARTICLE TWELVE

The City has specifically authorized the Corporation, by Ordinance No. 114-A-05, to act on its behalf to further the public purposes stated in said ordinance and in these Articles and the City has by said Ordinance No. 114-A-05 approved these Articles. A copy of said ordinance is on file among the permanent public records of the City and the Corporation.

INCORPORATORS


Irene Conejo


Jackie Orum

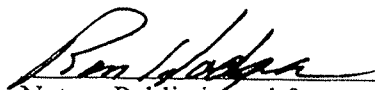

Pat McAdoo

STATE OF TEXAS §

COUNTY OF GAINES §

I, the undersigned, a notary public of the State of Texas, do hereby certify that on this 22nd day of June 2005, personally appeared before me Irene Conejo, Jackie Orum and Pat McAdoo, who, each being by me first sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true and correct.

IN WITNESS WHEREOF, I have set my hand and seal the date and year above written.


Notary Public in and for
The State of Texas

