



**MINUTES
SPECIAL ANNUAL MEETING
SEALY ECONOMIC DEVELOPMENT CORPORATION
W.E. HILL COMMUNITY CENTER
1000 MAIN STREET
WEDNESDAY, JUNE 22, 2022
6:00 P.M.**

1. Call to Order

President Sterling Schiller called the meeting to order at 6:10 p.m.

2. Invocation and Pledge of Allegiance

Yvonne Johnson gave the invocation led the Pledge of Allegiance.

3. Roll Call and Certification of a Quorum

Present:

Yvonne Johnson
Sterling Schiller
Larry Koy
Jennifer Sullivan
Russ Rainwater
Johnny Bonaccorso

Absent:

Bradley Miller

A quorum was declared present.

Staff attending:

Chelsea Humes, SEDC Interim Executive Director
Katherine Ellis, SEDC Deputy Executive Director / Secretary
Kimbra Hill, Interim City Manager
Steven Kutra, Finance Director
Ashley Erb, Assistant Finance Director
Tim Kirwin, City Attorney
Kim Dickey, City Secretary
Sandra Vrablec, Deputy City Secretary

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4. Petitions or Requests from the Public

President Schiller welcomed our new SEDC Board Members, Johnny Bonaccorso and Jennifer Sullivan, he congratulated the reappointed SEDC Board Members, which include: himself, Yvonne Johnson, and Larry Koy. President Schiller publicly thanked our outgoing Board Member Wyn McCready for his years of service with the SEDC.

5. Conduct Oaths of office for Sealy EDC Board Members.

Carolyn Bilski, Sealy Mayor, conducted the statement of Appointed Officer and Oath of Office with appointed Board Members: Sterling Schiller, Larry Koy, Johnny Bonaccorso, Jennifer Sullivan, Yvonne Johnson.

President Schiller made a motion to move item No.16 below item No.13. Jennifer Sullivan seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None

The motion carried.

6. Discussion and Possible action to elect the Sealy EDC Board President.

Larry Koy nominated Sterling Schiller for the position of SEDC Board President. Larry Koy made a motion to elect Sterling Schiller as SEDC Board President. Russ Rainwater seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None

The motion carried.

9:33

7. Discussion and Possible action to elect the Sealy EDC Board Vice-President.

Yvonne Johnson nominated Russ Rainwater for the position of SEDC Board Vice President. Russ Rainwater nominated Bradley Miller for SEDC Board Vice President. Yvonne Johnson made a motion to elect Russ Rainwater as SEDC Board Vice President. Jennifer Sullivan seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Bonaccorso
NOES: None
ABSTAIN: Rainwater

The motion carried.

8. Discussion and Possible action to elect the Sealy EDC Board Secretary.

President Schiller nominated Katherine Ellis for the position of SEDC Board Secretary. President Schiller made a motion to elect Katherine Ellis as SEDC Board Secretary. Johnny Bonaccorso seconded the motion. President Schiller called for the vote:

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AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None

The motion carried.

9. Discussion and Possible action to elect the Sealy EDC Board Treasurer.

Yvonne Johnson nominated Steven Kutra for the position of SEDC Board Treasurer. Tim Kirwin advised the SEDC Board of Directors that upon the retirement of Steven Kutra, the Board will take another vote for SEDC Board Treasurer. Yvonne Johnson made a motion to elect Steven Kutra as SEDC Board Treasurer. Larry Koy seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None

The motion carried.

10. Discussion and possible action to approve the minutes for the following dates:

- **Tuesday, April 26, 2022 Regular Meeting at 6:00 p.m.**

Russ Rainwater made a motion to approve the minutes for Tuesday, April 26, 2022 Regular Meeting at 6:00 p.m. Yvonne Johnson seconded the motion. President Schiller called for the vote:

AYES: Koy, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None
ABSTAIN: Sullivan

The motion carried.

11. Discussion regarding: the monthly Treasurer's Reports by Steven Kutra, Treasurer/Director of Finance; the monthly Payables Report by Katherine Ellis, SEDC Deputy Executive Director and Board Secretary; and the monthly Fiscal Year 2021-2022 Budget Review Spreadsheet by Sterling Schiller, Board President:

- a. Paid Invoice Report**
- b. Budget to Actual Report**
- c. Sales tax Report**
- d. Cash & Investment Report**
- e. Payables Report - K. Ellis**
- f. Fiscal Year 2021-2022 Budget Review Spreadsheet – President Schiller**

Steven Kutra updated the SEDC Board of Directors regarding the May and June Treasurer's Reports. Katherine Ellis reported new activity regarding the June Payables Report. President Schiller asked Steven Kutra to send the Jacqueline Cryan Park principal and interest amortization schedule to the new Board members, and he updated the Board on the Fiscal Year 2021-2022 Budget Review Spreadsheet. 37:00

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12. **SEDC Interim Executive Director's Report by Chelsea Humes / Discussion of the following items:**
- a. **SEDC office**
 - b. **Update for applying for HOT Funds for a parking project**
 - c. **Information regarding City of Sealy 380 agreements**
 - d. **Update on Alley Project**
 - e. **Orientation**
 - f. **BOTA Updates**

Chelsea Humes updated the SEDC Board of Directors on the items in the SEDC Interim Executive Director's Report. She reported recent research showing that it is possible for the Sealy EDC to apply and fund the W.E. Hill Center parking project using HOT Funds once the city secures legislation to become a bracketed city within the Chapter 351 Municipal Hotel Occupancy Taxes statute. Chelsea Humes reported that due to a written agreement, the SEDC may pay the future SIKa economic incentives. The SEDC Board of Directors viewed a video promoting the BOTA Festival.

13. **EXECUTIVE SESSION: A closed meeting will be held concerning the following item(s):**
- a) **Texas Government Code, Section 551.074, PERSONNEL MATTERS: (to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee).**
 - **Main Street Manager Position**
 - **SEDC Executive Director Position**

The Sealy EDC Board of Directors convened into executive session at 7:00 p.m.

16. **Reconvene into Regular Session and consider action, if any, on items discussed in Executive Session.**

Item No.16 was previously approved in the meeting to be moved under item No. 13.

The Sealy EDC Board of Directors reconvened into executive session at 7:41 p.m.

Russ Rainwater made a motion to make a recommendation to the City Manager that Chelsea Humes become the Executive Director of the Sealy EDC. Jennifer Sullivan seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso
NOES: None

The motion carried

14. **PUBLIC HEARING: The SEDC will receive comments regarding an application for a fifty percent matching grant for a parking project, including SEDC expenditures. The proposed expenditure of funds would be utilized for a downtown parking project to include pavement and striping. The project is authorized by Texas Local Government Code, Section 505.152. (Projects related to recreational and community facilities). The SEDC proposed expenditure of funds is not to exceed \$112,000.00.**

President Schiller opened the public hearing at 7:42 p.m.

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Chelsea Humes briefly discussed the grant and the parking project with the SEDC Board of Directors explaining the cost for the project decreased from \$112,000.00 to \$57,000.00, and the proposed grant could possibly cover \$50,000.00 of the project's cost.

President Schiller closed the public hearing at 7:44 p.m.

15. **PUBLIC HEARING: The SEDC will receive comments regarding an application for a partial matching grant for a Scranton Park community project. The proposed expenditure of funds would be utilized for a sports facility. The project is authorized by Texas Local Government Code, Section 505.152. (Projects related to recreational and community facilities). The SEDC proposed expenditure of funds is not to exceed \$10,000.00.** 54:00

President Schiller opened the public hearing at 7:44 p.m.

Chelsea Humes expressed that she previously met with the Sealy Eastside Foundation, who gave recommendations regarding a Scranton Park Phase II project. The Scranton Park Phase II would include four benches, three picnic tables, and a basketball court cover. Chelsea Humes reported costs for the Scranton Park Phase II could possibly be covered by a grant and donations.

President Schiller closed the public hearing at 7:47 p.m.

17. **PUBLIC HEARING: The SEDC will receive comments for proposed Sealy EDC fiscal year 2021-2022 budget amendments.**

President Schiller opened the public hearing at 7:47 p.m.

Chelsea Humes commented that the SEDC will bring the Board some future budget amendments.

President Schiller closed the public hearing at 7:48 p.m. 57:51

18. **PUBLIC HEARING: The SEDC will receive comments for proposed Sealy EDC fiscal year 2022-2023 budget.**

President Schiller opened the public hearing at 7:48 p.m.

Chelsea Humes invited the Sealy EDC Board of Directors to go through the 2022-2023 budget line item by line item, before the budget goes to City Council. She reminded the SEDC Board of Directors that City Council will give the EDC a list of priorities so that our views for future development will align. Chelsea Humes recommended approving the FY'23 budget item during this meeting, and amending later if needed. President Schiller spoke in agreement with Chelsea Humes.

President Schiller closed the public hearing at 7:52 p.m.

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19. Discussion and possible action to approve a preliminary SEDC Fiscal Year 2022-2023 Budget. 1:02

President Schiller opened the meeting for discussion regarding the SEDC Fiscal Year 2022-2023 budget. President Schiller spoke positively regarding the budget's comparison of this year's and last year's sales use tax and direct pay line items. He believes staff's recommendation is a good and conservative approach. Jennifer Sullivan recommended increasing the SEDC General Liability line item due to the current year-to-date cost exceeding budget. Chelsea Humes recommended adding \$1,200.00 to the General Liability line item. President Schiller directed staff to place \$30,000.00 in the business incentives line item for future projects. Jennifer Sullivan recommended staff place funds in the EDC budget to pay for SIKA and Praseks economic incentives. Chelsea Humes reported that the contributions to Primary line item in the preliminary FY'23 budget will be corrected from an amount of \$188,193.00 to \$60,000.00. Additionally, adding the SIKA and Prasek's economic incentive payments projected at \$91,060.87 may be added to the Contributions to Primary line item. President Schiller clarified the FY'23 budget line-item Contributions to Primary should be revised to \$151,061.00. President Schiller thanked staff for the information and for the budget reductions. He recommended that SEDC staff and Board of Directors work on the budget earlier next year and the Board should consider budget amendments quarterly. President Schiller made a motion to approve the preliminary SEDC Fiscal Year 2022-2023 budget with noted changes. Johnny Bonaccorso seconded the motion. President Schiller called for the vote. 1.25

AYES: Sullivan, Schiller, Johnson, Rainwater, Bonaccorso

NOES: Koy

The motion carried

20. Request(s) for future agenda items and comment(s).

Larry Koy recommended the Sealy EDC Board of Directors discuss SEDC priorities for the future budget, including paying off some economic incentive commitments. Larry Koy stated that he looks forward to hearing City Council's direction regarding SEDC priorities.

President Schiller spoke in support of Larry Koy's comments, and recommended a possible joint meeting between EDC and City Council in the future.

Jennifer Sullivan requested an agenda item to discuss the SEDC's Right-of-way/road construction project fund. She recommended the item include discussion educating the SEDC Board on how the funds are meant to work, future plans for the funds, and what the funds may or may not be used for.

21. Adjournment.

At 8:25 p.m. Russ Rainwater made a motion that the Sealy EDC Board of Directors stand adjourned until the next scheduled meeting. Yvonne Johnson seconded the motion. President Schiller called for the vote:

AYES: Koy, Sullivan, Schiller, Johnson, Rainwater, Bonaccorso

NOES: None

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The motion carried.

PASSED AND APPROVED this 8th day of August, 2022.



Sterling Schiller, President

ATTEST:



Katherine Ellis, SEDC Secretary