



MINUTES
REGULAR MEETING
SEALY ECONOMIC DEVELOPMENT CORPORATION
W.E. HILL COMMUNITY CENTER
1000 MAIN STREET SEALY, TX 77474
TUESDAY, APRIL 25, 2023
6:00 P.M.

1. **Call to Order**

President Sterling Schiller called the meeting to order at 6:03 p.m.

2. **Invocation and Pledge of Allegiance**

Vice President Russ Rainwater gave the invocation and led the Pledge of Allegiance.

3. **Roll Call and Certification of a Quorum**

Present:

Sterling Schiller
Russ Rainwater
Jennifer Sullivan
Larry Koy

Absent:

Yvonne Johnson
Bradley Miller
Johnny Bonaccorso

A quorum was declared present.

Staff attending:

Kimbra Hill, City Manager, City of Sealy
Sandra Vrablec, City Secretary, City of Sealy
Tim Kirwin, Sealy EDC Attorney
Katherine Ellis, SEDC Deputy Executive Director / Secretary
Krystal Sodalak, Treasurer, Sealy EDC

4. **Petitions or Requests from the Public**

(Comments made under this agenda item are limited to five minutes per person; however, if a large quantity of individuals has registered to speak, the time may be reduced. In accordance with the Texas Open Meetings Act, the Board of Directors will not discuss or consider any item addressed during this agenda item. However, the President or Executive Director may make statements of fact, for example, identifying the procedure for reporting an issue or referring the speaker to the cognizant agency or individual.)

None

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5. **Discussion and possible action to approve the minutes for the following date(s):**
- **Tuesday, March 28, 2023**
 - **Monday, April 17, 2023**

Russ Rainwater made a motion to approve the minutes for the Tuesday, March 28, 2023 Meeting and the Monday, April 17, 2023 meeting. Jennifer Sullivan seconded the motion. President Schiller called for the vote:

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

The motion carried.

6. **PUBLIC HEARING: The SEDC will receive comments for proposed expenditure of funds for the C&C Sign project, an insurance agency office. The project's location is 3701 Outlet Center #80 Sealy, TX 77474. Funding will provide for signage on the façade of the business location and other expenses related to the same to promote new or expanded business development. The project is authorized by Texas Local Government Code, Section 505.158 (projects related to business development). The SEDC proposed incentives and expenditure of funds is not to exceed \$1,500.00.**

President Schiller opened the public hearing at 6:06 p.m.

Katherine Ellis reviewed details of the C&C Sign Project with the Sealy EDC Board of Directors. C&C Golden Insurance is requesting funding assistance for a sign to place on their location's façade. The business is newly opened and increases occupancy at the Sealy Mall. Katherine explained the terms of the performance agreement.

President Schiller closed the public hearing at 6:08 p.m.

7. **PUBLIC HEARING: The SEDC will receive comments for proposed expenditure of funds for the purchase real property to promote new and expanded business and recreational and community facilities. The project is authorized by Texas Local Government Code, Section 505.158 (projects related to business development) and Section 505.152 (projects related to recreational and community facilities).**

President Schiller opened the public hearing at 6:08 p.m.

Tim Kirwin made a general comment that the item above is a located around the downtown area and it's being considered for a potential parking project.

President Schiller closed the public hearing at 6:09 p.m.

8. **Discussion and possible action to approve a performance agreement and expenditure of Sealy EDC funds for the C&C Sign Project in an amount not to exceed \$1,500.00 with the business owner of C&C Golden Insurance Agency.**

Russ Rainwater made a motion to approve a performance agreement and expenditure of Sealy EDC funds for the C&C Sign Project in an amount not to exceed \$1,500.00 with the business owner of C&C Golden Insurance Agency. Jennifer Sullivan seconded the motion.

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President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

9. Discussion and possible action and presentation regarding the Sealy Area Historical Society's request for funding for the Smithsonian's Museum on Main Street, a traveling exhibit.

Nancy Naron, SAHS President, informed the Sealy EDC Board of Directors regarding the Sealy Area Historical Society submitting an application to the Texas Historical Commission to be considered as a host for a traveling exhibit produced by the Smithsonian Museum. The exhibit is known as the "Smithsonian Museum on Main, Crossroads, Change in Rural America". The purpose for the exhibit is to provide more public access to museums and tourism. There will only be six communities selected for the exhibit. If Sealy is selected, the exhibit will stay in place for six weeks and is projected to have 4,000 to 6,000 visitors. The Sealy Area Historical Society is requesting a letter of support, as well as funding and staffing commitments from the Sealy EDC for the Smithsonian Museum on Main in 2024-2025. Jennifer Sullivan made a motion to authorize the President of the Sealy EDC to sign a letter of support for the project. Russ Rainwater seconded the motion. Larry Koy inquired if Hotel Occupancy Funds could be a part of the project. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

10. Discussion and possible action regarding funding for a beautification project at the approximate location(s) of Town Park Drive and HWY 90 near Cryan Memorial Park.

Katherine Ellis described the location of the project being at the entry of Town Park Drive off HWY 90. The city entered into an agreement to provide landscaping for this right-of-way area. The right-of-way is in a state of neglect. The area is in need of beautification to attract patrons to the businesses and Cryan Park. The Sealy EDC Board discussed the party legally responsible for the project. Larry Koy discussed the following regarding this project: He discussed the payments Sealy EDC is currently making on Cryan Park, the possible ownership of the land for the project, the CenterPoint easement in the area, the ditch at Town Park Drive barriers were removed, drainage in the area, safety, cars parked in the grass area, plans for another road to be built, cost of the project, and making it a city project. Jennifer Sullivan recommended the project may be a better fit for the city. Councilwoman Lerma spoke in support of the project. President Schiller recommended Sealy EDC staff work with the city to bring a package back to the Board with costs to be involved. Jennifer Sullivan recommended the project to possibly include landscaping around the pool, the circle garden with benches and the Fallen Officers Memorial.

11. Discussion and possible action regarding a business incentive application for signage at Patches Floral & Gifts and Patches Retail business locations.

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Katherine Ellis informed the Board regarding the Patches Floral & Gifts and Patches retail requesting signage for each business. The Patches retail shop recently expanded into the building next door and opened a floral shop. The building, and the retail business both improved in the last five years, utilizing Sealy EDC grants. Staff is requesting the Board consider providing business incentives toward signage for both businesses. Jennifer Sullivan made a motion directing staff to move forward with the two-sign project in the amount of \$1,500.00 each. Larry Koy seconded the motion. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

12. **Discussion regarding: the monthly Treasurer’s Reports by Krystal Sodolak, Director of Finance and Sealy EDC Treasurer; the monthly Payables Report by Katherine Ellis, SEDC Deputy Executive Director and Board Secretary; and the monthly Fiscal Year 2022-2023 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 – SEDC Staff**
 - f. **Fiscal Year 2022-2023 Budget Review Spreadsheet – President Schiller**

Krystal Sodolak discussed the above items a, b, c, and d. Larry Koy inquired about two expenditures, a Consultant line-item and Phone line-item. Krystal discussed each issue with the Board. She introduced the Board to a new line-item on the cash and investments report, Capital Lease Payable. Russ Rainwater requested the Sealy EDC Treasurer explore TexPool and TexStar interest rates for possible SEDC investment. Katherine Ellis updated the Board regarding the Payables Report. President Schiller updated the Board with the FY’23 Budget Review Spreadsheet.

13. **Discussion and possible action regarding the Sealy EDC fiscal year 2023-2024 Budget.**

President Schiller recommended the Board review the budget line by line discussing each item. Krystal Sodolak informed the Board of the preliminary nature of the Board’s discussion, she mentioned that the budget calendar was sent out April 25, 2023, and official budget planning will start May 8th.

For the FY’24 budget: President Schiller suggested the sales tax revenue be listed as \$1,020,000.00, he recommended the Direct Pay revenue be listed at \$30,000.00, the interest on investments should be changed from \$10,000.00 to \$12,000.00, the FY’24 budget should be increased by \$102,000.00 to total the budget amount of \$1,062,000.00, the budget for personnel be increased to \$120,000.00, Data Processing supplies line-item decreased to \$1,000.00, Historic District Improvement Grants increased to \$80,000.00, Business Incentives as a place-holder increase of \$250,000.00, continue to budget for the Prasek’s and SIKA city payments. President Schiller stated the budget is an initial plan, and the plan may change. Tim Kirwin recommended Main Street’s legal line-item be funded.

14. Discussion and possible action regarding the Administrative Agreement and Amendment No.1 of the Administrative Agreement between the City of Sealy and the Sealy EDC.

Kimbra Hill and Krystal Sodolak discussed the city staff hours put into the area of economic development. The working hours included predevelopment meetings and Sealy EDC meeting preparations at the Hill Center, Human Resources, City Secretary office, and payroll services. The Sealy EDC Board of Directors requested the city re-evaluate the city's time spent on economic development and provide follow-up with the Board to possibly amend the payment for the Administrative Service Agreement. Kimbra Hill also discussed the additional cost for financial consultant services when the new Sealy EDC Treasurer transitioned into her new role.

15. Discussion and possible action regarding the Alley Project.

Katherine Ellis provided details regarding an Alley project that would include pavement of two alleys downtown. Due to the Sealy EDC's prior interest of providing additional downtown parking, Katherine noted a previous recommendation from the City Manager, combining the Alley project with a downtown parking project would decrease costs for both projects. Jennifer Sullivan made a motion that Sealy EDC staff work with the city to get some cost estimates for the project. Russ Rainwater seconded the motion. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

16. Discussion and possible action regarding possible funding at the Mark A. Chapman Park for a lighting and shade structures.

President Schiller provided a brief overview of the Mark A. Chapman Park lighting and shade structure project. Kimbra Hill discussed the Sealy EDC and City Council priorities for future projects. Jennifer Sullivan spoke in support of the board continuing to focus on the selected priorities. Jennifer Sullivan made a motion to table funding at the Mark A. Chapman Park for lighting and shade structures. Larry Koy seconded the motion. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

17. Discussion and possible action regarding possible funding for a lighting project for the walking trail located at the Cryan Memorial Park.

Katherine Ellis discussed the possible scope of the Cryan Memorial Park project. Kimbra Hill recommended the manufacturer and city put a package together to make a recommendation to the Sealy EDC Board for the plan and cost of the project. Russ Rainwater made a motion for Sealy EDC staff to work with the city to provide the Board with a plan, cost, and move forward with the project. Jennifer Sullivan seconded the motion. President Schiller called for the vote:

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AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

18. Discussion and possible action regarding the use of a third-party Economic Development Consultant.

Kimbra Hill recommended the Board consider a third-party Economic Development Consultant at a later meeting, on an as needed basis. Sealy EDC staff will continue due diligence to collect information regarding available third-party consultant's and have it available when needed.

19. Discussion and possible action to fund holiday lighting in the City of Sealy.

President Schiller discussed details of the potential holiday lighting project, stating the Sealy EDC has paid for holiday lighting in past years. Jennifer Sullivan made a motion the Sealy EDC move forward with the Holiday Lighting project. Russ Rainwater seconded the motion. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

- 20. EXECUTIVE SESSION: A closed meeting will be held concerning the following item(s):**
- **Texas Government Code, Section 551.072. DELIBERATION REGARDING REAL PROPERTY; The SEDC will conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property as deliberation in an open meeting would have a detrimental effect on the position of the SEDC in negotiations with a third person.**

At 8:19 p.m., the Sealy EDC Board of Directors convened into executive session to discuss the above item.

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

At 8:49 p.m. the Board reconvened into open session.

Jennifer Sullivan made a motion to authorize the SEDC Board President to make an offer and execute a real estate contract for real property located downtown and authorize payment or any ancillary needs of the same. Russ Rainwater seconded the motion. Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

The motion carried.

22. Sealy EDC Board President's Report, entailing discussion of the following items:

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- a. Downtown Market, every 3rd Saturday, next event is May 20th 9:00 a.m. – 2:00 p.m.
- b. Mudbugs on Main looking for sponsors for the 3rd Annual event happening May 6th
- c. Sealy Area Chamber of Commerce Event May 19th at 6:00 p.m., requesting items for auction.
- d. Expiring Sealy EDC Board members may reapply.

President Schiller briefly discussed the above items.

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

- Larry Koy further defined his reasoning for inquiries during meetings, and thanked the city for their work.
- President Schiller thanked staff for their efforts and the Board for their input.
- Jennifer Sullivan requested an update on the hiring of an EDC Executive Director.

24. Adjournment.

At 8:54 p.m., Russ Rainwater made a motion that the Sealy EDC stand adjourned until the next scheduled meeting. Larry Koy seconded the motion. President Schiller called for the vote:

AYES: Schiller, Rainwater, Sullivan, Koy
NOES: NONE

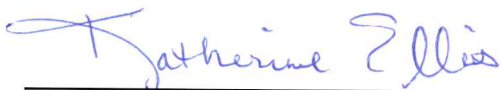
The motion carried.

PASSED AND APPROVED this 23th day of May, 2023.



Sterling Schiller, President or Russ Rainwater, Vice-President

ATTEST:



Katherine Ellis, SEDC Secretary