THE SEABROOK ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF SEABROOK MET ON THURSDAY, DECEMBER 21, 2017 AT 5:30 P.M. IN THE SEABROOK CITY HALL COUNCIL CHAMBERS, 1700 FIRST STREET, SEABROOK, TEXAS TO CONSIDER, AND IF APPROPRIATE, TAKE ACTION WITH RESPECT TO THE AGENDA ITEMS LISTED BELOW.

BOARD MEMBERS PRESENT:

PAUL R. DUNPHEY	PRESIDENT
TERRY CHAPMAN	VICE-PRESIDENT
GARY BELL	TREASURER
ERNIE DAVIS	SECRETARY
GLENNA ADOVASIO (exc. absence)	COUNCIL REPRESENTATIVE
THOMAS KOLUPSKI	MAYOR
KEVIN FERGUSON	MEMBER

ALSO PRESENT WERE:

GAYLE COOK	CITY MANAGER
STEVE WEATHERED	CITY/EDC ATTORNEY
PAUL CHAVEZ	DIRECTOR OF ECONOMIC DEVELOPMENT
PAT PATEL	EDC ADMINISTRATIVE ASSISTANT

EDC President Paul Dunphey called the meeting to order at 5:30 p.m. and declared that a quorum was present.

1.0 PUBLIC COMMENTS AND ANNOUNCEMENTS

There were none.

2. PRESENTATIONS

2.1 EDC Director's report on economic development activities for November 2017. (Chavez)

EDC Director, Paul Chavez, gave his report on economic development activities for the month of November:

- November has been a very busy month
- November – meetings with local SH146 businesses on relocation status
- ICSC tradeshow follow up - prospects are waiting and needing TXDOT timeline – lots of prospects interested in Seabrook but hesitant with moving forward without construction timeline
- Retail Coach report – grocery store analysis
- January – developers will filter in on our City – will start to look at parcels
- H-GAC Livable Centers Grant award – Seabrook has received this award grant – we budgeted $46,000 as our match for this particular grant – H-GAC said they

are lowering the amount they are rewarding to $40,000 what they are estimating. We requested $242,000 which H-GAC lowered down to $200,000, so that is $40,000 off the initial asking price. H-GAC will be the ones managing this grant and will be handling the contracts.

- KIWO – Seabrook company specialty paint store/industrial – going thru expansion on Marvin circle – has flooding issues at Marvin Circle
- RedNews report – the e-blasts gets phone calls and emails which is great and works out well – BizNow and HBJ meetings do not get the same results
- Budget – Finance department is finishing up end of year figures
- Old Seabrook Parking Lot Project is well under budget
- BAHEP banquet will be held January 26, 2018
- Economic Alliance banquet will be held February 8, 2018 and will announce the business of the year – Hampton Inn was selected by the EDC Board back in September.
- SH146 – bridge construction slated to begin about July 2018. In March 2018 railroad side being cleared.
- Todville Road expansion project – first quarter 2018 – expansion of wastewater sewer line on east side of Todville
- Port Road – construction to begin first quarter of 2018
- Red Bluff – construction to begin fourth quarter of 2018
- Economic Summit discussion in January meeting needed – previous discussions indicated holding the Economic Summit towards the end of February or March

3. OLD BUSINESS

3.1 Consider and take all appropriate action on the update for the SH146 Design Cost Estimates and Projects. (Cook)

City Manager, Gayle Cook presented the following update regarding the SH146 Design Cost Estimates and Projects:

- City Staff has been working with SWA since last meeting
- TXDOT still have not given numbers to figure out City liability portions, but they did refine the numbers looked at previously
- Plans are in the handsets of TXDOT now, so we are moving forward with everything
- At previous meeting, SWA presented previously with a total of $4,128,875 of enhancements to include: MSE Wall Designs with City Logo, Blue Stars, Landscape, Lighting underpasses and bridges including fixtures, Expressway Lighting (this was deleted moving forward), and Traffic Control Poles
- Where are we now? $2,821,959 total project costs – December 5th everything was submitted. This does not include fixtures RGBW LED – only electrical and conduit on lighting items. Continuous Lighting was eliminated.
- What will it cost the City? TXDOT portion project costs to be $1,967,929. City portion project costs to be $854,029 (before credits). Annual maintenance still to be determined.

Lights, landscaping, traffic pole replacements – still outstanding items we will have to look at those when it comes it.

- Current budget plan for EDC - $500,000 budgeted for SH146 items in fiscal year 2017/2018. Consideration of Project Notice for $1,000,000 (multi-year project). Other items that will be brought for future consideration of combination of funding (i.e grants, municipalities, Hotel Occupancy Tax, general fund): RGBW Lighting LED fixtures, Gateway Signage, Boardwalk and Boat Ramp, and Wayfinding Signage
- SH146 Enhancements: Aggregate rip rap approaching Nasa at Kenneth Royal – two tone fashion – as you are approaching Kenneth Royal this is where the wall would start
- Opportunities for landscaping and rip rap – 10th Street under bridge area
- Decorative Star Medallion – cost decrease due to change – certain design with opportunity to have this inset with LED backlit – standard package that TXDOT has worked with before
- Landscaping – mixture of landscaping opportunities for planting throughout the scope of this project with a native and drought tolerant species that is in TXDOT's normal plantings – Red Bluff intersection will have to be a separate project as well – Bay Area Trees for Texas will work with the City and TXDOT and is excited to plant at the Red Bluff intersection at no cost to the City
- All plans are in TXDOT's hands and in review

Board Members asked some of the following questions:

- How much is EDC versus City? We have not gotten that far. At this point we approached the project as an EDC funded project, not knowing what the scope or cost was going to be. There are other funds we could also look at for example general fund or HOT fund and grants on top of that. We are getting to that stage of looking at getting the exact funding.

EDC Director, Paul Chavez, stated that the EDC has $500,000 budget set aside in regards to the project for SH146 beautification, gateway and branding projects.

4. NEW BUSINESS

4.1 Consider and take all appropriate action on incentives found by the board of directors of the SEDC to be necessary to promote or develop new or expanded business development and/or create or retain primary jobs "HIGHWAY 146 PROJECT", in an amount to be determined. City Council will consider approval of the Resolution designating this EDC project in January. (Chavez)

EDC Director, Paul Chavez, stated that the action needed here was the funding amount. He stated that City Manager Gayle Cook had already recommended an amount up to one million dollars. EDC Board Member, Ernie Davis wanted to know that since the EDC already budgeted for this and there was already a project notice, then why would there be a need for a resolution. City Attorney, Steve Weathered, stated that the amount had yet to be determined in the Project Notice and City Council would be approving the resolution, but EDC still had to determine the amount in order to complete the resolution and submit it to Council. And since this is an EDC

project over the amount of $10,000 it would require a Project Notice along with a resolution with Council's approval.
EDC Member Kevin Ferguson wanted to clarify if the full amount of one million dollars was to be used in increments over the course of the project. To which City Manager Gayle Cook responded that the EDC would be approving upto one million dollars for the project as a whole for Project Notice purposes, and they would still be coming back to the EDC Board with specific figures and approvals needed for various items within the project. Just like they did for example for the Old Seabrook Project.

Motion made by EDC Vice-President Terry Chapman and seconded by EDC Treasurer Gary Bell.

To approve upto one million dollars for the EDC project designating State Highway 146 redevelopment.

MOTION CARRIED BY UNANIMOUS CONSENT

4.2 Consider and take all appropriate action on publication of a Project Notice for Seabrook Marina reflecting purpose to promote or develop new or expanded business enterprises and/or that create or retain primary jobs in or near the City of Seabrook, by expending SEDC sales tax funds as an incentive to assist in the retention, relocation, construction and improvement of a new waterfront restaurant owned by Fay & Fay Properties, LLP on the north bank of Clear Creek on the previous site of Regatta Inn and Sundance Grill, ("Project"), including construction of additional parking, floating dock, and enhanced landscaping in an amount not to exceed $127,370.80 consistent with the purposes and duties of a Type B corporation. Payment of such expenditures is authorized for Projects under Texas Local Government Code, including Sections 505.158, 505.302 and related provisions.

Motion made by EDC Treasurer Gary Bell and seconded by EDC Secretary Ernie Davis.

To approve as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

4.3 Consider and take all appropriate action on publication of a Project Notice for Mario's Pizza reflecting purpose to promote or develop new or expanded business enterprises and/or that create or retain primary jobs in or near the City of Seabrook, by expending SEDC sales tax funds as an incentive to assist in the retention, relocation, construction and improvement of a restaurant owned by Mario's Pizza Inc., 1304 Bayport Blvd, to be relocated at 2100 E. Nasa Parkway, Seabrook, TX 77586, ("Project"), including funding of certain relocation expenses, reimbursement of specified SEDC tax paid, and other related costs incident to placing the proposed Project into operation at its new location. SEDC funding will be pursuant to approved Project plans and conditions imposed in a performance agreement. Payment of such expenditures is authorized for Projects

under Texas Local Government Code, including Sections 505.158, 505.152, and related provisions.

Motion made by EDC Secretary Ernie Davis and seconded by EDC Vice-President Terry Chapman.

To approve as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

4.4 Consider and take all appropriate action on the BAHEP Annual Quasar Award Banquet attendance. This is a budgeted item. (Chavez)

Friday, January 26, 2018, from 6:30 p.m. to 9:30 p.m. located at South Shore Harbour Resort, BAHEP will be hosting this annual event. EDC Director, Paul Chavez asked the Board for confirmation of who wanted to attend since there were 8 seats available. So far Mayor Kolupski was the only member confirmed. EDC President Paul Dunphey stated he would not be attending since he will be out of town.

EDC President, Paul Dunphey asked Mr. Chavez to follow up via email, therefore no motion was needed.

5. EXECUTIVE SESSION

5.1 Section 551.072
Conduct a closed executive session to discuss the purchase, lease, exchange, and/or value of real property in closed session due to potential detrimental effect on EDC/City in negotiations with a third party if conducted in open session, as provided by Section 551.072 of the Texas Government Code. (Cook)

5.2 Section 551.087
Discuss/deliberate potential financial incentive(s) and financial information received from a business prospect that the City/EDC seeks to have locate, stay, or expand for which the City is conducting economic development negotiations, as provided by Texas Government Code Section 551.087.

The EDC Board went into Executive Session at 6:07 p.m.

6. OPEN SESSION

6.1 The EDC Board will reconvene in Open Session to allow for possible action on the agenda items listed above under "Executive Session."

The EDC Board came back at 6:28 p.m. and declared no action was taken during Executive Session.

7. ROUTINE BUSINESS

7.1 Approve minutes of the November 16, 2017 regular EDC meeting. (Patel)

Motion made by EDC Secretary Ernie Davis and seconded by EDC Member Kevin Ferguson.

To approve the minutes as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

7.2 Update on SH 146 expansion.

- No new updates

7.3 Establish future meeting dates and agenda items.

- Regular EDC meeting date change from January 11, 2017 to new meeting date for January 18, 2018 at 7:00p.m.

Upon motion duly made, the meeting was adjourned at 6:30 p.m.

APPROVED ON THE 18TH DAY OF JANUARY 2018.

Pat Patel,
EDC Administrative Assistant

Terry Chapman, EDC Vice-President