

1 The City Council of the City of Seabrook met in regular teleconference session on Tuesday, May
2 5, 2020 at 6:00 p.m. to discuss, consider and if appropriate, take action on the items listed below.

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4 **THOSE PRESENT WERE:**

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| 5 THOM KOLUPSKI | MAYOR |
| 6 ED KLEIN | COUNCIL PLACE NO. 1 |
| 7 LAURA DAVIS | COUNCIL PLACE NO. 2 |
| 8 JEFF LARSON – Ex. Abs | COUNCIL PLACE NO. 3 |
| 9 NATALIE PICHA | MAYOR PRO TEM |
| 10 | COUNCIL PLACE NO. 4 |
| 11 BUDDY HAMMANN | COUNCIL PLACE NO. 5 |
| 12 JOE MACHOL | COUNCIL PLACE NO. 6 |
| 13 GAYLE COOK | CITY MANAGER |
| 14 SEAN LANDIS | DEPUTY CITY MANAGER |
| 15 STEVE WEATHERED | CITY ATTORNEY |
| 16 ROBIN LENIO | CITY SECRETARY |
| 17 PAUL CHAVEZ | DIR OF ECONOMIC DEVELOPMENT |

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19 Mayor Kolupski called the meeting to order at 6:00 p.m. and conducted roll call to establish a
20 quorum of City Council members.

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22 **1. PUBLIC COMMENTS AND ANNOUNCEMENTS - none**

23 **2. CLOSED EXECUTIVE SESSION**

24 **2.1 Section 551.071**

25 Conduct a closed executive session to consult with attorney regarding legal issues on 1) Personnel
26 Matters related to Telecommunicators; and 2) Pending litigation, Yancey v. City of Seabrook, filed
27 in United States District Court, Southern District, Houston Division under Civil Action 4:20-CV-
28 588 pursuant to Government Code Section 551.071 *Gayle Cook, City Manager*

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30 At 6:01 p.m., Mayor Kolupski announced that the City Council will now hold a closed
31 executive meeting pursuant to the provisions of the Open Meetings Act, Chapter 551 Government
32 Code, and Vernon’s Texas Codes Annotated, in accordance with the authority contained in
33 Sections 551.071, Consultation.

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35 **3. OPEN SESSION**

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37 At 6:27 p.m., Mayor Kolupski reconvened the meeting in open session and stated that
38 item 2.1 had been discussed, but that no action had been taken in executive session.

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43 **3.1** Consider, discuss and take all appropriate action on Closed Executive Session
44 matters. *Gayle Cook, City Manager*

45 *Motion was made by Councilmember Davis and seconded by Councilmember Machol*

46 *To approve taking all action to pay a correction of a payroll discrepancy for all employees in the*
47 *telecommunications category for a three year period.*

48 *By roll call vote, MOTION CARRIED BY UNANIMOUS CONSENT*

49 **4. NEW BUSINESS**

50 **4.1** Hear presentation and consider and take all appropriate action on a general form
51 performance agreement, subject to appropriate modifications, for the Seabrook Emergency
52 Business Retention Incentive (SEBRI) Agreements between the Seabrook Economic Development
53 Corporation and approved applicants, as approved by the SEDC on May 4, 2020. *Paul Chavez,*
54 *Director of Economic Development*

55 Paul Chavez, Director of Economic Development, explained that the agreement for
56 Council's approval is a pro forma incentive agreement that the City Attorney reviewed and the
57 Seabrook Economic Development Corporation approved to move forward with for awarding the
58 Seabrook Emergency Business Retention Incentives (SEBRI). Businesses are selected per the
59 award subcommittee's review and then a subsequent review by the SEDC Board of Directors under
60 the SEBRI Program. The total program amount approved by the SEDC for allocation is
61 \$187,500.00. There were 47 applications received, with five not accepted because they did not
62 meet the minimum requirements, and one of the businesses is now opting out because their general
63 belief is that they are doing ok and they have received the National Payroll Protection funding, so
64 they want to withdraw their application so that another business could possibly receive funds.
65 There were some companies that indicated they did not wish to participate because they are doing
66 well. Tonight's approval is only for the agreement form itself, and not for the allocations.

67 Steve Weathered, City Attorney, responded to a question regarding the default provisions
68 in the agreement as those provisions relate to bankruptcy, and explained that in the usual course
69 of business, lenders required that they be in first position so that if there is a default, that lender
70 can foreclose on every tangible piece of property owned by the defaulting party in order to take
71 care of the deficiency. For this program, the default provisions simply state that bankruptcy
72 triggers default, without going into legal explanation. In the legal world, a judgement is only as
73 good as the ability to collect on it.

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76 Mr. Chavez, at the request of Council, explained that the preliminary allocation range is
77 between \$3500 and \$8000 per business, with the majority of businesses scoring to receive \$3500.
78 City Council will review the SEDC approved allocations on Friday, May 8, and at that time
79 approve the individual agreements.

80 *Motion was made by Councilmember Davis and seconded by Mayor Pro Tem Picha*

81 *To approve the general form performance agreement presented by the Economic Development*
82 *Corporation.*

83 *By roll call vote, MOTION CARRIED BY UNANIMOUS CONSENT*

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85 Upon motion duly made and seconded, Mayor Kolupski adjourned the meeting at 6:47 p.m.

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87 Approved this 19TH day of May, 2020.

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96 Robin Lenio, TRMC

97 City Secretary

Thomas G. Kolupski
Mayor