



MEMORANDUM

To: Mayor Don Keil
Seguin City Council

Cc: Douglas G. Faseler, City Manager

From: Joshua Schneuker, Director of Economic Development

Date: September 18, 2018

Subject: SEDC Bylaw Changes

The SEDC Staff is requesting that the Seguin City Council consider and act on a resolution approving certain amendments to the Bylaws of the Corporation. The proposed changes to the SEDC Bylaws were spurred by the City of Seguin's change in when appointments are made to boards and commissions. The appointments used to be effective October 1st of each year, however now the appointments are now effective January 1st of each year. Attached with this memo you will find a redlined version of the current Bylaws as well as a copy of the new amended Bylaws. Below, staff has provided an overview on the details of the proposed changes to the Bylaws:

Notable Changes

- **Residency Requirement (Sec. 4.02):** Currently, the bylaws require that appointed SEDC board members reside within the City of Seguin City Limits. Staff is proposing a change that would allow future board appointments to reside in both the City Limits and within the City of Seguin Extraterritorial Jurisdiction (ETJ).
- **Election of Officers (Sec. 4.07):** Currently, the bylaws require the SEDC to hold the election of officer positions at its annual meeting in September. To better align with the City of Seguin's board and commissions appointment schedule, staff is proposing to change the election of officer positions to the first meeting of the new calendar year.
- **Bonds (Formerly Sec. 4.03):** Currently, the bylaws require that the President, Vice President and Treasurer of the Board be given an official bond in the sum of not less than \$100,000.00. The

premiums for these bonds are paid for by the SEDC. Staff is proposing removing this requirement as it is deemed unnecessary and will save the SEDC the costs associated with the premiums.

- **Future Bylaw Amendments (Sec. 11.01):** Removed requirement that a special meeting must be called to consider amendments to the Bylaws. Change would allow for amendments to be considered in a regular meeting.

Other Changes

- **SEDC Physical Address (Sec. 1.01):** Address was updated to reflect the actual physical address of the SEDC's office, 211 N. River Street, Seguin, Texas 78155
- **Reporting to City Council (Sec. 4.04):** Currently, the bylaws require that the SEDC provide City Council with a mid-year and annual report of economic development activities. Staff is proposing removing the mid-year reporting requirement and simply having an annual report to City Council on the economic development activities. Staff will continue to provide City Council with a copy of the monthly staff report that is put together for SEDC Board Meetings.
- **Setting Meeting Dates (Sec. 4.07):** Removed requirement that the President shall set regular board meeting dates and time at the beginning of the President's term.
- **Special Meetings (Sec. 4.08):** Proposed change would allow for the Executive Director to also call for a special meeting in addition to the President and/or written request of two board members.
- **References to Section 4A and Development Corporation Act of 1979:** Updated language throughout the bylaws that referenced to Section 4A and the Development Corporation Act of 1979. This language was replaced with more accurate references to Chapters 501, 502 and 504 of the Texas Local Government Code. These chapters govern the powers of a Type A Corporation.
- **Ex-Officio Advisors (Sec. 6.01):** Simplified language within this section. Proposed changes identify the Mayor, City Manager or their designee may attend Board Meetings as ex-officio officers.
- **Corporate Seal (Formerly Sec. 10):** Removed Section 10, which required that the SEDC obtain a corporate seal.

On August 6, 2018 the SEDC Board of Directors met in a special called meeting to consider and act upon these proposed Bylaw changes. At the conclusion of this special called meeting, the SEDC Board of Directors approved resolution number 2018-07, authorizing the proposed amendments to the Bylaws of the Corporation. Per section 12.01 of the currently adopted SEDC Bylaws, the SEDC Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of four of the authorized directors serving on the Board, subject to approval by the City Council. SEDC Staff is recommending approval of the resolution authorizing certain amendments to the Bylaws of the Corporation by the Seguin City Council.