

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON NOVEMBER 12, 2013  
AT 7:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the City of Sherman, City Council Chambers at 220 W. Mulberry, Sherman, Texas, on November 12, 2013, at 7:30 a.m.

MEMBERS PRESENT: Mr. Dean Gilbert, Jr., Mr. Chris Pendergrass, Mr. Brooks Hull,  
Mr. David Key, Mr. Willie Steele

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mayor Cary Wacker, Dr. Al Hambrick, Mr. George Olson

EX OFFICIO MEMBERS ABSENT: None

STAFF PRESENT: Mr. Scott Connell, Mr. Frank Gadek, Mrs. Regina Troutz

STAFF ABSENT: None

GUESTS PRESENT: Mr. Robby Hefton, Mr. John Hunter Smith, Ms. Mary Lawrence,  
Mr. Mark Gibson

**CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS AND VISITORS**

Mr. Gilbert, Jr., Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:34 a.m., declared a quorum present and opened the meeting.

**CONSIDER THE APPROVAL OF MEETING MINUTES**

Motion was made by Mr. Pendergrass and seconded by Mr. Hull to approve the following meeting minutes:  
Special called board meeting - budget workshop on August 9, 2013  
Special called board meeting – work plan on August 27, 2013  
Special called joint board meeting with City Council on September 9, 2013  
Regular scheduled board meeting on October 15, 2013  
Motion was approved unanimously.

SEDCO staff presented the new video project, “Sherman, Texas – Broad Horizon” to the SEDCO Board. President Scott Connell stated the video will be a great tool for SEDCO to promote our community to industry. It will be highlighted on SEDCO’s main website, [www.sedco.org](http://www.sedco.org) with a YouTube channel and be available for City of Sherman departments, Chamber of Commerce, Tourism, local industries, etc. to promote the City of Sherman and the region.

**ELECTION OF NEW OFFICERS**

Motion was made by Mr. Gilbert, Jr. and seconded by Mr. Chris Pendergrass to install the following new officers:  
Mr. Chris Pendergrass – Chairman  
Mr. Brooks Hull – Vice-Chairman  
Mr. Willie Steele – Secretary  
Motion was approved unanimously.

## **EXECUTIVE SESSION**

The Sherman Economic Development Corporation held an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.087.

The open meeting recessed and reconvened in executive session at 7:43 a.m.

The executive session recessed and reconvened in open session at 8:29 a.m.

## **RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION**

Mr. Gilbert, Jr. reconvened the open meeting at 8:29 a.m. and welcomed visitors.

### **CONSIDER FOR APPROVAL INFRASTRUCTURE IMPROVEMENTS**

Motion was made by Mr. Steele and seconded by Mr. Hull to approve a water line extension along Flanary Drive and across to Progress Drive. It will serve SEDCO properties and allow them to be ready for future development, in addition to providing a back-up water supply line for Panda Power Funds. This project is estimated to cost approximately \$325,000 - \$350,000 and would take four to six months to complete. The City of Sherman will perform the installation. The project will be paid out of SEDCO's Land & Infrastructure budget. Motion was approved unanimously.

Motion was made by Mr. Hull and seconded by Mr. Gilbert, Jr. to approve a sewer line replacement from Sunny Delight south to Tyson then east across US 75 and tie into an existing line that services Texas Instruments and the MEMC facility. This project is estimated to cost approximately \$1 million and take 18 months to engineer and complete. The project will be bonded with several other City projects. Motion was approved unanimously.

### **CONSIDER FOR APPROVAL CONSTRUCTION CONTRACT**

Motion was made by Mr. Gilbert Jr. and seconded by Mr. Steele to approve a contract with Vessels Construction for the extension of Northgate Drive and associated utilities for the bid amount of \$199,693.22. Motion was approved unanimously.

### **FINANCIALS**

Mr. Robby Hefton presented the Investment Reports for the quarter ending in September 2013. As of September 30, 2013, the portfolio book value was \$9.4 million. The weighted average yield on the portfolio was .159%, about 6 basis points above the 1 year Constant Maturity Treasury Index of .10%, which was about the same as the previous quarter.

Motion was made by Mr. Steele and seconded by Mr. Gilbert, Jr. to approve the September 2013 Investment Reports as presented by Mr. Hefton. Motion passed unanimously.

Mr. Hefton presented the financials for September 2013. The net fund balance was \$9.2 million with \$9.9 million in commitments. Mr. Hefton said there were no incentive payouts, however, there was \$137,000 in land and infrastructure expenditures.

Motion was made by Mr. Gilbert, Jr. and seconded by Mr. Steele to approve the September 2013 financials as presented by Mr. Hefton. Motion passed unanimously.

SEDCO Executive Vice-President, Mr. Frank Gadek, reviewed the October 2013 Economic Barometer Report. The October 2013 EBR was noted that the Unemployment Rate is 6.4% for Grayson County. Mr. Gadek noted that this report was based on the August 2013 labor market data, due to the September 2013 data being unavailable until November 22<sup>nd</sup>, due to the earlier Federal Government shutdown.

### **PRESIDENT'S REPORT (October 2013)**

SEDCO President, Scott Connell, gave the overview of the President's Report.

Project Updates:

Panda – Construction on the natural gas line to serve the facility is underway. The line will follow the western boundary of Progress Park I, cross FM 1417 and parallel the creek line down to the project site. It is adjacent to the recently constructed overhead power lines.

Presco – The company submitted documentation (and SEDCO confirmed) completion of the first phase of the Economic Development Performance Agreement. Presco hired five new staff members in the Engineered Film division.

Site Visits - SEDCO hosted representatives from Projects MPS, DC5, CAF.

Proposals – SEDCO submitted initial proposals for Projects Torch, Blue, and Blade Speed. SEDCO also provided continued follow up to Projects CAF, Beach, DC-5, EF, Freight Dock, Marx, Miller, MPS, Sagittal Crest, Seventy Eight and Triangle.

Real Estate:

SEDCO staff having been actively working with Southeastern Freight Lines and their associates on issues related to the sales transaction. The final plat and site plan were submitted for Planning & Zoning Board approval on October 22. The items were approved as presented except the exception for metal panels on the side of the facility. The Planning Board approved with at least a stucco finish. The items will proceed to City Council on November 18. Benchmark Engineers completed design and bid out the construction of the Northgate Drive extension in conjunction with the Southeastern Freight Lines project. Bids were submitted by three companies – all within the approved budget of \$300,000.

SEDCO entered into a contract for \$1,485 with McIntire Painting for repainting the monument signs at entrances to Progress Park I, II and III. The work will be undertaken in November-December. Funds are allocated in Land & Infrastructure budget.

Marketing:

SEDCO worked with Mr. Brian Aiken to produce a new short video produced that provides aerial shots of places throughout the community. The video footage was filmed October 11 and October 24. We received the completed product November 6. We will post on the SEDCO website, send to clients and share with local community groups. We hope it will help “sell” Sherman to new business and residents.

SEDCO staff attended the semi-annual conference for the Industrial Asset Management Council (IAMC), the professional association for corporate real estate executives. Texas communities host a welcome reception and an invitation dinner.

Other:

In September, SEDCO offices sustained water damage from a leaking water pipe in the ceiling of the kitchen/copy room. There was about 2 inches of water in most of the office area. Bank of Texas is owner of the facility and they immediately deployed fans and driers to eliminate the water. Since that time, portions of walls in the entranceway, hallways and kitchen have been replaced. The cabinets and sink in the kitchen have been removed. On November 11-13, contractors will replace the carpet throughout the office and install the new kitchen cabinets.

SEDCO staff attended the annual conferences for the International Economic Development Council and Texas Economic Development Council. Scott Connell was elected to the Board of Directors of the TEDC. Scott Connell spoke to the Sherman Lions Club about recent company project announcements.

**ADJOURNMENT**

No other business came before the SEDCO Board. The meeting adjourned at 8:43 a.m.

**CERTIFICATION OF CHAIRMAN AND SECRETARY**

I, Chris Pendergrass, Board Chairman, and I, Willie Steele, Board Secretary, do certify that these minutes of the Executive Session of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

ATTEST:

\_\_\_\_\_  
SEDCO SECRETARY

\_\_\_\_\_  
SEDCO CHAIRMAN