

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON NOVEMBER 13, 2018
AT 7:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room at 307 W. Washington Street, Suite 102, Sherman, Texas on November 13, 2018 at 7:30 A.M.

MEMBERS PRESENT: Mr. Brad Douglass, Mrs. Janie Bates, Mr. Scott Bandemir, Mrs. Gail Utter

MEMBERS ABSENT: Mr. Tom Shields

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Councilman Willie Steele

EX OFFICIO MEMBERS ABSENT: Mr. Robby Hefton, Councilman Jason Sofey, Dr. David Hicks

STAFF PRESENT: Mrs. Stacey Jones, Ms. Ashton Ghaemi

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mrs. Mary Lawrence

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

Mr. Douglass called the meeting to order at 7:32 a.m., declared a quorum present, meeting declared open, recognition of guests and visitors.

CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS

Motion was made by Mrs. Bates and seconded by Mrs. Utter to approve the Annual Joint Meeting minutes of September 27, 2018 and the Regular Scheduled Board Meeting minutes of October 9, 2018. Motion was approved unanimously.

FINANCIALS

Mrs. Lawrence presented the Financials for the quarter ended September 30, 2018 and reported the Ending Fund Balance as \$10,972,404 and the Commitments as \$14,621,724. She also presented the Investment Report for the quarter ended September 30, 2018 and reported the Book Value as \$1,537,528 and the Weighted Average Yield as 1.68%.

Motion to approve the Financials and the Investment Report for the quarter ended September 30, 2018 was made by Mr. Bandemir and seconded by Mrs. Utter.

EXECUTIVE SESSION

The Sherman Economic Development Corporation will hold an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Code Annotated, in accordance with the authority contained in the following sections:

Section 551.087 – Economic Development: Discussion concerning the following Projects: Frost, Titan, Conquistador, MilePost, Brisket, Cannon, Final Course, Plan 4, Victoria, Lori

Section 551.072 – Real Property: Discussion concerning projects: PP2, PP6, Rail, PP7

Section 551.074 – Personnel Matters: To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

The open meeting recessed in executive session at 7:35 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

Mr. Douglass reconvened the open meeting at 7:58 a.m.

Mrs. Jones recommended the approval of a SEDCO Economic Development Performance Agreement with Tyson Fresh Meats, Inc. The agreement states that Tyson will invest \$30,000,000 in an 80,000 SF expansion and equipment and retain 1,703 jobs at its 4700 S. Hwy 75 facility, and SEDCO will provide a \$1,500,000 incentive upon proof that the conditions have been met.

Motion to approve the Economic Development Performance Agreement with Tyson Fresh Meats, Inc. was made by Mrs. Bates and seconded by Mrs. Utter. Motion was approved unanimously.

Mrs. Jones recommended the approval of an Addendum to the SEDCO Economic Development Performance Agreement with GlobiTech Incorporated to increase GlobiTech's investment from \$9,750,000 to \$17,910,000 for the facility improvement and equipment and to increase the new job creation from 12 to 36. The Addendum also increases SEDCO's incentive from \$487,500 to \$895,500.

Motion to approve the Addendum to the Economic Development Performance Agreement with GlobiTech Incorporated was made by Mrs. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

ECONOMIC BAROMETER REPORT (October 2018)

Ms. Ghaemi presented the Economic Barometer Report and noted the following:

- City Building Permits are up 57.69% from Oct. 2017, and the YTD is up 12.40%.
- Utility customers increased 1.84% from YTD.
- Sales tax proceeds increased 14.92% from Oct. 2017.
- Sherman's unemployment rate is 3.1% as of Sept. 2018.

MONTHLY REPORT

Mrs. Jones and Ms. Ghaemi presented the October-November 2018 Monthly Report:

Since our last report:

SEDCO is presently working 8 active projects with an estimated \$113,050,000 in investments and 393 new jobs.

The Sherman City Council and SEDCO held its Annual Joint Meeting. SEDCO staff presented the 2017-2018 Program of Work Results and the proposed 2018-2019 Program of Work and Budget. The City Council and the SEDCO Board of Directors approved the 2018-2019 Program of Work and Budget.

Stacey Jones attended the International Economic Development Council's Annual Conference in Atlanta and the Texas Economic Development Council's (TEDC) Annual Conference in Fort Worth. In addition to attending sessions, she met with several of SEDCO's vendors and learned about new ways to use their products and services. At TEDC, she attended a dinner hosted by Janet Black with BNSF.

SEDCO closed on the 57.3 acres west of Progress Park VI. This will be marketed as Progress Park VII.

The SEDCO Board of Directors approved an Addendum to the Economic Development Performance Agreement with Finisar Corporation. The Addendum revises "SEDCO's Time of Performance" in the incentive payment schedule.

At the October SEDCO Board Meeting, we expressed our appreciation to Chairman John Sild and Former Chairman/Board Member Greg Kirkpatrick for their service to the SEDCO Board of Directors. We also welcomed our two new Board Members, Scott Bandemir and Gail Utter. The Board elected the following officers for the 2018-2019 fiscal year: Brad Douglass, Chairman; Tom Shields, Vice-Chairman; and Janie Bates, Secretary.

SEDCO contracted with Via Rail Engineering to complete a Conceptual Track Layout master plan of Progress Park to determine rail access potential and reflect the benefit of rail served property for marketing purposes. Planned completion is early January.

The SEDCO staff met with Janie Havel, Community Relations Representative for the North/Northeast Texas Region for the Governor's Office of Economic Development & Tourism. We discussed state incentives and provided an update on Sherman.

SEDCO hosted its Fall Leadership Breakfast with industry representatives and community leaders in attendance. This quarterly event includes a round table discussion on the wants and needs of Sherman industries.

We were recognized at the Sherman ISD School Board meeting for our support of the Advanced Manufacturing Program (AMP).

Terrence Steele, Stacey Jones, and Ashton Ghaemi hosted a booth at the Finisar Health Fair. We spoke with several of Finisar's employees and provided information regarding housing, tourism, and more.

SEDCO staff met with CBC Creative to select a new website design for ShermanTXJobs.com. The site will be reconstructed for improved analytics and will launch in mid-January.

Mrs. Bates raised questions about the return on investment of the jobs campaign. She noted the efforts being made by the State of Texas and questioned if SEDCO's marketing funds would best be used towards a different effort.

Mrs. Jones and Ms. Ghaemi explained this marketing campaign is in response to existing local industries request to increase workforce and would be a compliment to the State campaign, specifically for local industries.

Mrs. Utter inquired about the marketing vendor bids and encouraged staff to collect more from local vendors. Ms. Ghaemi asked for vendor recommendations.

Stacey Jones served as Principal for a Day at Piner Middle School. She visited classrooms and saw dedicated, innovative teachers and met inspiring, respectful students. Thank you to Kim Porter and the entire staff for showcasing one of SISD's premier schools.

We completed production on two more existing industry videos for Mueller Construction Company and Christmas Designers. These videos will be added to sedco.org and promoted on SEDCO's social media pages. The filming of a new Austin College video has been completed and is in post-production.

Business Retention & Expansion:

In the past month, we have visited with key leadership from the following Sherman companies: Christmas Designers, Emerson, Finisar, JP Hart, Modular Power Solutions, Southeastern Freight, Texas Instruments and Tyson.

On Sept. 21st, we supported the Careers in Texas Industries Event that introduced Grayson County high school students to career opportunities in our area.

On Oct. 23rd, we sponsored a Safety Leaders Forum with speaker, Sergeant Brett Mullen from the Sherman Police Department. The following key employers were in attendance: Ball DPF, LLC, CertainTeed, Eaton, Mueller Construction Company, Plyler Construction, Presco, Ruiz Foods, Sunny Delight, and Tyson.

On Oct. 25th, we sponsored a Human Resources Group meeting with the following key employers in attendance: CertainTeed, Douglass Distributing, Finisar and Sunny Delight.

On Nov. 8th, we co-sponsored the Red, White and You Career Fair which drew 375 job seekers.

AMP Update:

SEDCO helped organize and sponsor the AMP Fall Event where the students and parents met the mentors. We had 100 in attendance. This year, we met as a group for a meal then the parents were separated for a presentation on AMP and the mentor program. This gave the students time to get to know their mentors.

Finisar presented AMP with a \$25,000 donation. These funds will be used towards tuition and books.

As another effort to market the AMP and IMT programs, Stacey Jones and Anna Hicks presented to the PTA Presidents for Sherman ISD. Stacey also presented the AMP program to the Noon Lions Club.

Swap-It-Up:

The winner of the Swap It Up competition was the Whitesboro AMP Team! We hosted a celebration on October 26th where we announced the winning team and the donations to the non-profits. Each student received a tablet, and the team received a trophy to showcase at their school until next year's competition. All three teams did a fantastic job of collecting products and services for their chosen non-profits. The total value of the donations came to over \$21,000.

Ms. Ghaemi presented the Company Spotlight video featuring Christmas Designers.

ADJOURNMENT

No other business came before the SEDCO Board. The meeting was adjourned at 8:26 a.m.

CERTIFICATION OF CHAIRMAN AND BOARD SECRETARY

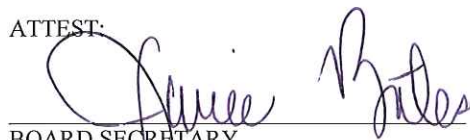
I, Brad Douglass, Chairman, and I, Janie Bates, Board Secretary, do certify that these minutes of the Regular Scheduled Board Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

ATTEST:



CHAIRMAN

ATTEST:



BOARD SECRETARY