

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON MARCH 19, 2019  
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 March 19, 2019 at 7:30 A.M.

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

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Mr. Robby Hefton, Mr. Willie Steele, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: Mr. Shawn Teamann

STAFF PRESENT: Mr. Kent Sharp, Mrs. Stacey Jones, Ms. Ashton Ghaemi

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mr. Terrence Steele, Mr. Drew Smith, Mr. Dan Guido, Mr. Darren Pringle

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

Mr. Douglass called the meeting to order at 7:32 a.m., declared a quorum present, meeting declared open, recognized guests Dan Guido and Darren Pringle of Via Rail Engineering and Drew Smith of the Herald Democrat. The Invocation was given by Mr. Sharp.

**PRESENTATION BY VIA RAIL**

Mr. Guido presented the conceptual track layout for Progress Parks II, IV, and VI. He said his team studied the available property, utilities, hills, and existing rail and determined that Park V would not be a fit for rail.

Mr. Hefton asked what the construction timeframe would be. Mr. Guido said approximately six to nine months. Mr. Hefton also asked if Via Rail had relationships with the major railroads. Mr. Guido said Via Rail serves as a translator between the community and the railroads. Mr. Sharp asked if the rail and building construction can occur at the same time. Mr. Guido said yes and that it is important to have rail design completed early on. Mr. Willie Steele asked who would own the new track. Mr. Guido said the rail asset can be sold with the property, or SEDCO can own and maintain the rail easement. Mrs. Jones said all of the existing track is owned by either the existing industries or Burlington Northern Santa Fe. Mr. Steele said SEDCO would want to continue with that same process. Mr. Douglass asked if the design changes if hazardous materials are brought in. Mr. Guido said not in Progress Park but on a main line there is a setback.

Mr. Guido presented the Opinion of Probable Construction Costs and noted the approximate \$1.1 million for materials and the seven percent design and permitting fee. He said the Phase II track work costs would be for future extensions. Mr. Guido discussed the list of exclusions and highlighted the major exclusions including subballast, site preparation and grading, and utility and drainage structure installation, modification, protection, or re-location. He said these exclusions would add approximately 20-30% more costs.

**CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS**

Motion was made by Mrs. Bates and seconded by Mr. Shields to approve the Regular Scheduled Board Meeting minutes of February 12, 2019. Motion was approved unanimously.

**FINANCIALS**

Mr. Sharp recommended the approval of the Balance Sheet, Budget Report, and Investment Schedule for month ending December 31, 2018 and the Investment Report for quarter ending December 31, 2018. He said these reports were presented at the February 12, 2019 Regular Scheduled Board Meeting but were not voted on.

Motion was made by Ms. Utter and seconded by Mr. Bandemir to approve the financial reports for the month and quarter ending December 31, 2018. Motion was approved unanimously.

Mr. Sharp presented the Balance Sheet and noted the total assets as \$10.1 million and total liability as \$12,677.16. In reference to the Budget Report, Mr. Sharp said SEDCO had used 28.78% of the FY 2018-2019 Budget. He said the percentage increase on the Tools & Supplies budget line accounted for new office furniture. Mr. Sharp also presented the Incentives Schedule and said the total outstanding incentives are \$1.8 million.

Motion was made by Mrs. Bates and seconded by Ms. Utter to approve the Balance Sheet, Budget Report, and Investment Schedule for month ending January 31, 2019. Motion was approved unanimously.

#### **HISTORICAL SALES TAX REPORT**

Mr. Sharp presented the Historical Sales Tax Report with the addition of the March 2019 sales tax data and reported the cumulative year-to-date as 9.85%.

#### **ECONOMIC BAROMETER REPORT (February 2019)**

Mrs. Jones presented the Economic Barometer Report and noted the following:

- City Building Permits are up 8.20% from Feb. 2018 and 9.16% from YTD 2018.
- Utility customers increased 2.08% from YTD 2018.
- Sherman's sales tax proceeds increased 5.63% from Feb. 2018. Greenville's was down -10.04% from Feb. 2018 and -4.70% from YTD 2018.
- Sherman's unemployment rate is 3.6% as of Jan. 2019 and has not been this high since July 2016.

Mrs. Jones noted the updated MSA and WDA reports from the Texas Workforce Commission and a new addition to the Economic Barometer Report – the Texoma employment data column.

Mr. Sharp said he continues to hear the challenges of finding employees from the existing industries. Mrs. Bates said there are three to four job fairs a week in the workforce centers and announced the upcoming Career Connection Job Fair on April 4, 2019.

#### **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:

551.071 (Consultation with Attorney)

551.072 (Deliberations about Real Property) – PP2, Roads, Potential acquisition of land and industrial space

551.074 (Personnel Matters)

551.087 (Business Prospect/Economic Development) – Wildcat, Beach, Odyssey

The open meeting recessed in executive session at 8:10 a.m.

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

Mr. Douglass reconvened the open meeting at 8:31 a.m. No executive session items were discussed.

#### **PRESIDENT'S REPORT**

Mr. Sharp presented the President's Report which detailed tasks completed since January 8, 2019. He said he visited 18 of the 37 companies on the SEDCO Business and Retention list. He noted that SEDCO has submitted eight proposals for new projects and completed two site visits. Mr. Sharp discussed the list of proposals SEDCO was not able to submit due to a lack of available existing buildings. He also presented a press release from the Texas Economic Development Council (TEDC) announcing the Sherman Economic Development Corporation as one of 51 organizations to receive the 2018 Economic Excellence Recognition. Mr. Sharp said the certificate was presented at the TEDC Legislative Conference, and it is a peer-reviewed award.

#### **ADJOURNMENT**

No other business came before the SEDCO Board. The meeting was adjourned at 8:36 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