

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JANUARY 14, 2014
AT 7:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in in the SEDCO Board Room at 307 W. Washington Street, Suite 102, Sherman, Texas, on January 14, 2014, at 7:30 a.m.

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

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. Nate Strauch

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

Mr. Pendergrass, Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:32 a.m., declared a quorum present and opened the meeting.

CONSIDER THE APPROVAL OF MEETING MINUTES

Motion was made by Mr. Hull and seconded by Mr. Steele to approve the following meeting minutes:
Regular scheduled board meeting on November 12, 2013
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 7:33 a.m.

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

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Pendergrass reconvened the open meeting at 8:10 a.m. and welcomed visitors.

CONSIDER FOR APPROVAL RESOLUTION FOR PROPERTY SALE

Motion was made by Mr. Steele and seconded by Mr. Hull to approve a resolution requested by Chapin Title to designate which SEDCO representative is authorized to execute documents for the property sale to Southeastern Freight Lines. Motion was approved unanimously.

FINANCIALS

Ms. Mary Lawrence presented the financials for October and November 2013. For October 2013, the net fund balance was \$9.3 million with \$9.8 million in commitments. Ms. Lawrence noted that the sales tax revenue was up by 3%. For November 2013, the net fund balance was \$9.6 million with \$9.8 million in commitments, which includes the GTUA debt. Sales tax revenue was up by 6%.

Motion was made by Mr. Steele and seconded by Mr. Key to approve the October and November 2013 financials as presented by Ms. Lawrence. Motion passed unanimously.

SEDCO Executive Vice-President, Mr. Frank Gadek, reviewed the November and December 2013 Economic Barometer Report. The November 2013 EBR was noted that the Unemployment Rate was 6.2% for Grayson County and for December 2013 the Unemployment Rate was 5.9%.

PRESIDENT'S REPORT (December 2013)

Project Updates:

Panda – Panda Energy staff have been hired and are working onsite during final stages of construction. SEDCO staff and Mayor Wacker have worked to set a tour of the site for City Council and SEDCO Board members for Friday, January 17 at 9:30 – 12 noon.

Site Visits – There were no site visits in December.

Proposals – SEDCO submitted initial proposals for Projects Condor 250, Arrowhead and Baseball. SEDCO also provided continued follow up to Projects CAF, Freight Dock, Miller, Moe, MPS, Seventy Eight and Triangle.

Real Estate:

SEDCO staff continued to actively work on issues for the Southeastern Freight Lines project. The plat was recorded on December 30. We are working toward a closing for the property sale in the coming weeks. The company's contractor, Schwob Inc. obtained the first building permit for the project.

Vessels Construction is actively engaged on the extension of Northgate Drive and utilities. The company began construction the week of November 25 and expects to be completed mid to late January 2014.

SEDCO staff members worked to identify maps and easements for Progress Park II and Flanary Road. The documents will assist City staff in the design and construction of the new water line. After the project is complete, SEDCO staff plans to have the site surveyed to include all the infrastructure onsite.

Marketing:

SEDCO participated with Oncon at a trade show booth at the Fabtech trades show in Chicago. Fabtech is one of the largest annual shows dedicated to metal forming, fabricating, and welding industries. The show is also a good connection to the equipment manufacturers supporting the industry. We made some good contacts and have a list of companies to follow up in the coming weeks.

SEDCO launched the Dynamic CRM system from Microsoft. Staff began a series of training sessions to begin utilizing the system. We have begun compiling contact data will begin utilizing the project tracking process in January. We hope to begin developing reports in the first quarter 2014.

SEDCO hosted representatives from Henry S. Miller commercial real estate at an event in Dallas. Henry S. Miller is engaged in several projects and representation of commercial property in Sherman.

SEDCO staff attended the Texas One quarterly meeting and holiday reception with Governor Perry in Austin. This provided an opportunity to connect with economic development staff and site location consultants on active projects.

ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:20 a.m.

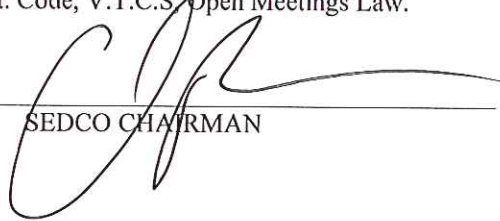
CERTIFICATION OF CHAIRMAN AND SECRETARY

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