

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON AUGUST 9, 2016
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 August 9, 2016 at 7:30 A.M.

MEMBERS PRESENT: Mr. Willie Steele, Mr. Greg Kirkpatrick, Mr. John Sild, Mr. Brad Douglass

MEMBERS ABSENT: Mr. Tom Shields

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Deputy Mayor Jason Sofey, Mr. Robby Hefton, Council Member Lawrence Davis, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: None

STAFF PRESENT: Mr. John Plotnik, Mr. Frank Gadek, 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. Steele, Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:30 A.M., declared a quorum present, meeting declared open, recognition of guests and visitors.

CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETING

Motion was made by Mr. Sild and seconded by Mr. Kirkpatrick to approve the regular scheduled meeting minutes of July 12, 2016. Motion was approved unanimously.

FINANCIALS

Mrs. Lawrence presented the financials for the quarter ended June 30, 2016 and noted that the net fund balance is \$6.5 million, with \$9.1 million in outstanding commitments.

Mrs. Lawrence presented the Investment Report for the quarter ended June 30, 2016 and noted that the book value is \$5.9 million, a \$251,297 change from the prior quarter. Mrs. Lawrence also mentioned that the weighted average maturity is 110 days, and the weighted average yield is 0.60%.

Motion to approve the financials and the Investment Report for the quarter ended June 30, 2016 was made by Mr. Sild and seconded by Mr. Kirkpatrick. Motion was approved unanimously.

PROPOSED FY 2016-2017 BUDGET REVIEW

Mrs. Jones presented SEDCO's proposed FY 2016-2017 Budget and noted a -37.88% decrease in the Marketing/Attracting budget due to SEDCO bringing some marketing efforts in house and hiring a local public relations firm. She also mentioned an increase under Land & Infrastructure, which includes the funds made from the land sale with J.P. Hart Lumber Company. Mrs. Jones said SEDCO plans to reinvest those funds in the industrial park.

Motion to approve the proposed FY 2016-2017 Budget was made by Mr. Douglass and seconded by Mr. Sild. 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 the following section:

Section 551.087 – Economic Development: Discussion concerning the following Projects: Wood, Eagle, Take Away, Skid, Brick, Dalmatian, Sun, Baseball, Pancake, Penmountain, Uno Dos

Section 551.072 – Real Property: Discussion concerning projects: Alpha, Midway Building, Progress Park, Truck

The open meeting recessed in executive session at 7:37 A.M.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Steele reconvened the open meeting at 7:43 A.M.

ECONOMIC BAROMETER REPORT (July 2016)

Mr. Gadek referred to the EBR report in the board packet and noted the following:

- 3.93% change in City Building Permits from YTD 2015
- -82.93% change in City Building Permits (Value) from July 2015 and -9.11% from YTD 2015
- Sherman's sales tax proceeds are up 5.75% from July 2015 and 6.72% from YTD 2015.
- Sherman's labor force is 19,573, and the unemployment rate is 3.9%.

PRESIDENT'S REPORT (August 2016)

Mr. Plotnik presented the FY 2015-2016 Completed Projects and Signed Agreements and noted the completion of Emerson Process Management/Fisher Controls' project which was the first project to meet the requirements of SEDCO's "Buy Local" grant.

Mr. Plotnik presented the North Texas Regional Airport's July 2016 Management Update/Marketing Report and referred to the President's Report in the board packet and discussed the following:

Project Information:

SEDCO is presently working 11 active projects with an estimated \$1,212,500,000 in investments and 2,434 new jobs.

SEDCO Operations/Administration:

SEDCO staff attended the following events/meetings:

- Business Education for Teachers Grayson County School District and Economic Development Wrap-Up Meeting
- Child and Family Guidance Center Board Meeting
- City Council Meeting
- Coffee with the Mayor
- Cowboy Chicken Ribbon Cutting
- Center for Workplace Learning Advisory Board Meeting
- Hot Summer Nights
- Legend Bank First Responder Luncheon
- Lunch with Nate Rodriguez, General Manager Herald Democrat
- Manufacturing SISD Counselor Tours
- NTYP Pillar's Luncheon
- Sherman Chamber of Commerce Events Committee
- Sherman Manufacturing Career Fair Planning Meeting
- Sherman Rotary
- Sherman Safety Leaders Forum
- Summer Leadership Breakfast
- Texas Main Street Resource Team
- THRMA Luncheon
- TWC Manufacturing Committee Meeting
- Workforce Solutions Texoma Board Meeting
- 903 Brewers Press Conference

Business Recruitment:

In July, SEDCO made presentations to three major projects offering a total of \$530 million in investments and 452 new jobs.

Thirty-seven acres of land within Progress Industrial Park was sold to J.P. Hart Lumber, who will be developing their first phase with an investment of \$5.5 million-\$6.5 million and 37 new jobs. This new company, founded in the 1930's, will open its seventh plant in Texas.

Recently, SEDCO created Facebook and Twitter accounts to market Sherman through social media campaigns. The first campaign launched this month, targeting a 50-mile radius around the DFW metroplex. The potential reach is estimated to be between 156,000 and 420,000 people. These platforms will also be used to promote existing industries and partners, to market available sites in Progress Industrial Park, and to share the President's Report, press releases, and upcoming events.

Business Retention/Expansion Program:

In the past month, SEDCO visited with key leadership from the following Sherman companies:

- Emerson Process Management/Fisher Controls
- Mueller Construction
- Tyson Fresh Meats

SEDCO held a Sherman Safety Leader's Forum hosted by Justin Sloan at Emerson Process Management/Fisher Controls with the following key employers in attendance:

- Ball DPF/Nature's Source
- Consolidated Container Company
- Eaton B-Line
- Emerson Process Management/Fisher Controls
- Mueller Construction Company
- Presco
- Sunny Delight
- Texas Instruments
- Washington Iron Works

In partnership with Todd Gruhn, Career & Technical Education Coordinator for Sherman High School, SEDCO organized the Manufacturing SISD Counselor Tours. The principal, associate principal, four counselors and Todd Gruhn from Sherman High School along with the two counselors from Piner Middle School were split into small groups. Each group was sent to one of the following companies:

- Emerson Process Management/Fisher Controls
- Sunny Delight
- Tyson Fresh Meats

They received personal, hands on tours and met back at Emerson for lunch to hear career experiences from employees. This was an opportunity to learn about the great careers in manufacturing available in Sherman. They will use this experience to share with students who are interested in the dual credit manufacturing curriculum.

Incentives & Compliance:

On July 18th, Emerson Process Management/Fisher Controls received their final incentive payment of \$95,000 towards their \$8,047,000 capital investment in their property at 4725 Highway 75 South. Emerson/Fisher was the first to meet the requirements of SEDCO's "Buy Local" grant and received the maximum \$20,000 as part of this incentive payment.

Mr. Plotnik presented a design for a newspaper advertisement in support of Sherman Independent School District's Penny Swap Tax Ratification Election (TRE).

BUSINESS RETENTION & EXPANSION UPDATE

Mrs. Jones announced SEDCO's first Manufacturing Career Fair, which will be held on August 11, 2016 from 10:00 a.m. to 5:00 p.m. at the Sherman Municipal Ballroom. This event is sponsored by SEDCO, Workforce Solutions Texoma, and the City of Sherman.

ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:01 A.M.

CERTIFICATION OF CHAIRMAN AND BOARD SECRETARY

I, Greg Kirkpatrick, Chairman, and I, Brad Douglass, Board Secretary, do certify that these minutes of the Regular 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:



SEDCO CHAIRMAN

ATTEST:



BOARD SECRETARY