

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON OCTOBER 13, 2015
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 October 13, 2015, at 7:30 A.M.

MEMBERS PRESENT: Mr. Willie Steele, Mr. David Key, Mr. Greg Kirkpatrick

MEMBERS ABSENT: Mr. John Sild

EX OFFICIO MEMBERS PRESENT: Mayor Cary Wacker, Deputy Mayor David Plyler, Councilman Jason Sofey, Mr. Lloyd Treadwell, Mr. Robby Hefton

EX OFFICIO MEMBERS ABSENT: None

STAFF PRESENT: Mr. John J. Plotnik, Mr. Frank Gadek, Mrs. Stacey Jones

STAFF ABSENT: None

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

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

CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS

Motion was made by Mr. Key and seconded by Mr. Kirkpatrick to approve the regular scheduled meeting minutes of August 11, 2015, special called meeting minutes of August 14, 2015 and August 28, 2015 and the joint meeting minutes of September 15, 2015. Motion was approved unanimously.

CONSIDER FOR APPROVAL THE SEDCO INVESTMENT POLICY

Ms. Lawrence presented the SEDCO investment policy explaining it matched the city policy. Motion was made by Mr. Kirkpatrick and seconded by Mr. Key to approve the SEDCO investment policy. Motion was approved unanimously.

CONSIDER FOR APPROVAL THE RENEWAL OF THE CD AT AMERISTATE BANK FOR ONE YEAR, WITH AN AUTO RENEWAL OPTION, AT THE END OF THE YEAR

Motion was made by Mr. Key and seconded by Mr. Kirkpatrick to approve the renewal of the CD at AmeriState Bank for one year, with an auto renewal option, at the end of the year. Motion was approved unanimously.

PRESIDENT'S REPORT

Project Information

- Midway Industrial Spec Building Visit

SEDCO Operations/Administration

- We are pleased to present Ashton Ghaemi as our new Research & Marketing Assistant. Ashton has previously worked for Grayson College as the Executive Assistant to the Dean of Academic Instruction and has extensive experience in research, web design and online content editing.
- SEDCO presented its budget and Plan of Work for the next fiscal year which was approved by our City Council and SEDCO's Board of Directors.
- In partnership with The City of Sherman, The Chamber of Commerce and Austin College, SEDCO held its second annual, SEDCO SUMMIT. The "update and going forward" messages were presented by a number of city, state and federal leaders along with the keynote speaker, Dr. Ray Perryman.

Business Recruitment

As part of the adopted Plan of Work for SEDCO, outlined in the September presentation and approval by the City and SEDCO's Board of Directors, we plan to move forward with calls to developers, target industries, site selectors and key consultants. We also plan to visit to the Governor's Office at the Texas Economic Development group in Austin to discuss opportunities for growth and investment within the Sherman market.

Business Retention/Expansion Program

With our new Research & Marketing Assistant on board, Mrs. Stacey Jones, our Economic Development Coordinator will increase our activities in our existing industry visits. This ongoing program will not only move toward increased relationships with our corporate citizens but is also a valuable resource for referrals within their respective industries. In addition, Stacey will have responsibility over other administrative duties.

Incentives & Compliance

- September 30, 2015 - Paid final payment of \$230,000 on the \$460,000 Tyson Performance Agreement
- October 12, 2015 – Inspection scheduled for Texas Instruments for final payment of \$218,500 on the \$950,000 Performance Agreement
- October 15, 2015 – All requirements have been met and a payment of \$8,150 will be paid, Grayson Capital, LLC. This the third of four payments of the \$32,600 Performance Agreement

Other Activities

- SEDCO has completed lease negotiations with Bank of Texas for a new three - year lease with early cancellation of six months' notice without penalty, if desired. In addition, approximately \$3,400 of tenant improvements will be expensed by the Landlord to finish out an existing office for activities regarding our Business Retention/Expansion Program. Monthly rental for the first two years will be approximately \$500 per month under budget.
- SEDCO has reviewed proposals from public relations firms. The existing contract has expired.
- Visited the Midway Industrial Park, and multiple visits with city leadership

STREET SALES TAX PRESENTATION

Mr. Hefton presented information about the Street Sales Tax. It is 1/8% of Sherman sales tax and provides about \$1.1 million annually. Over 50% of retail sales tax comes from shoppers who do not live in Sherman. Round 2 (April 2012-March 2016) was passed November 2011 by a margin of 9:1. Election for Round 3 to be held on November 3, 2015, if not passed property tax would have to be raised 4 cents to cover future projects including Loy Lake from Hwy 82 to Sara Swamy.

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 requests for economic incentives for the following Projects: Elm, Printing, Liberty 100, WSA

Section 551.072 – Real Property: Discussion concerning Progress Park

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 7:42 A.M.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Steele reconvened the open meeting at 8:30 A.M.

ECONOMIC BAROMETER REPORT

Mr. Gadek referred to the EBR report in the Board packet and noted that permit activity is up 2% over last year and the unemployment rate is 4%.

BRE REPORT

Mrs. Jones referred to the report in the Board packet highlighting MFG Day. Seven Sherman and four Denison manufacturing companies hosted 400 Sherman and Denison High School students. The event included lunch, tours and presentations about opportunities these companies offer high school graduates.

ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:40 A.M.

CERTIFICATION OF CHAIRMAN AND SECRETARY

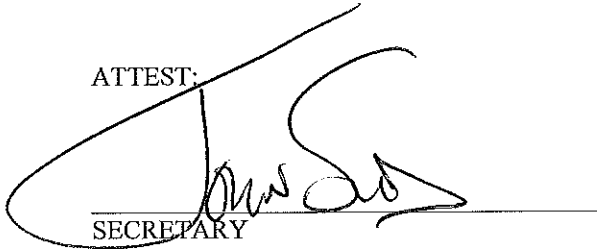
I, Willie Steele, Chairman, and I, John Sild, Board Secretary, do certify that these minutes of the Regular Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

ATTEST:



SEDCO CHAIRMAN

ATTEST:



SECRETARY