

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON JANUARY 9, 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 January 9, 2018 at 7:30 A.M.

MEMBERS PRESENT: Mr. John Sild, Mr. Tom Shields, Mr. Greg Kirkpatrick, Mrs. Janie Bates

MEMBERS ABSENT: Mr. Brad Douglass (Present via Conference Call)

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: Mr. Robby Hefton, Councilman Jason Sofey, Councilman Willie Steele

STAFF PRESENT: Mr. John Plotnik, Mr. Frank Gadek, Mrs. Stacey Jones, Ms. Ashton Ghaemi

STAFF ABSENT: None

GUESTS PRESENT: Ms. May Nguyen, Ms. Mandi Sarembock

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

Mr. Sild, Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:31 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. Shields and seconded by Mr. Kirkpatrick to approve the regular scheduled meeting minutes of December 12, 2017.

**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: Heather, Tackleberry, Lynn, Orange Fire, Zep, Jenny, Century, Dorothy, Dusty 1 Trail, Dusty 2 Trail, Dusty 3 Trail, Ice

**Section 551.072** – Real Property: Discussion concerning projects: FS4, Intersection, Northgate Drive, Truck

The open meeting recessed in executive session at 7:33 a.m.

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

Mr. Sild reconvened the open meeting at 7:39 a.m.

Mr. Plotnik recommended the approval of a General Warranty Deed to the City of Sherman for the 7.71-acre lot along Northgate Drive in Progress Park I, which has been designated as the site of the future City of Sherman Fire Station #4.

Motion to approve the General Warranty Deed was made by Mr. Shields and seconded by Mrs. Bates. Motion was approved unanimously.

Ms. Ghaemi introduced Ms. Nguyen and Ms. Sarembock, the Austin College Jan Term Interns for the Sherman Economic Development Corporation and the Sherman Chamber of Commerce.

**ECONOMIC BAROMETER REPORT (December 2017)**

Mr. Gadek presented the Economic Barometer Report and noted the following: City water customers is up 2.08% from YTD 2016; SEDCO's sales tax proceeds had a slight decrease of -0.67% from YTD 2016; and Sherman's unemployment rate is 3.1% as of November 2017.

Mr. Sild asked if the CBS ads for the National HR Marketing Campaign had started, and Mr. Plotnik said SEDCO hopes to have them start next week.

Mr. Plotnik referred back to the Economic Barometer Report and noted the 81.78% change in total City Building Permits (Value) from YTD 2016.

#### **PRESIDENT'S REPORT (January 2018)**

Mr. Plotnik noted the FY 2017-2018 Completed Projects and Signed Agreements in the board packet and presented the following January 2018 President's Report:

##### Project Information:

SEDCO is presently working 12 active projects with an estimated \$987,000,000 in investments and 2,895 new jobs.

##### Operations/Business Recruitment:

Christmas came early with the announcement of Finisar, in partnership with Apple, Inc., who will be moving into the former MEMC facility on the south side of Sherman. Announcing 500 primary jobs and a \$150 million investment, Finisar will produce vertical-cavity surface-emitting lasers (VCSELs) for Apple, Inc. products like Face ID and Animoji. The company received a \$380 million grant from Apple to support the VCSELs production. Finisar-Sherman is expected to open this summer.

On December 18th, SEDCO Board Chairman John Sild and SEDCO President John Plotnik presented the quarterly report to the Sherman City Council.

Since our last report, the staff met with the new Sherman City Council Members Daron Holland and Josh Stevenson to brief them on SEDCO's activities. We also had an introduction meeting with Austin College President Steven O'Day.

John Plotnik attended an end of year meeting with key site selectors and consultants in Dallas and was invited to discuss SEDCO's activities and advantages regarding new company locations.

SEDCO entertained four site tours and responded to two new requests for proposals from companies interested in locations within North Texas.

##### Community Activities:

Below are the events/meetings the SEDCO staff attended this month:

- AMP Manufacturing Consortium Meeting
- City Council Meeting
- Coffee with the Mayor
- CTE Advisory Board Meeting
- Finisar & SEDCO Press Event
- Grayson County Commissioners Meeting
- Sherman Chamber Events Committee Meeting
- SISD School Board Meeting
- Tax Reinvestment Committee Meeting

##### Business Retention/Expansion Program:

In the past month, we have visited with key leadership from Eaton, Nature's Source/Ball DPF, Omega Industries, Robit USA, LLC, Synergy Windows and Doors, LLC.

We hosted an Industrial Maintenance Technician (IMT) End of Semester Celebration. Our five students have successfully completed the first five classes of the program, and we invited their mentors and the company sponsor to the classroom for lunch to celebrate their success. Everyone received an IMT shirt, and the students received IMT jackets.

On January 18th, we will present the IMT program to the juniors in the career pathways that compliment this program. Representatives from Grayson College and the sponsoring industries, the current students and even some of the mentors will join us.

Approximately 400 Sherman eighth graders and more than 170 Denison eighth graders will tour the Sherman industries in January and February.

On September 25th, the Texas Workforce Commission presented the Advanced Manufacturing Program (AMP) with the \$100,000 match for the Texas Industry Partnership grant. The program pledged to raise \$200,000 from our industry partners. On December 12th, Progress Rail joined the industry partners with a \$10,000 contribution. This donation brings the total raised to \$145,000. These funds will go towards the purchase of AMP equipment.

The AMP commercial has been on the Cinemark screens since the middle of December and will air for two weeks beginning January 18th on KXII, KTEN and local radio stations. In addition, the Herald Democrat will have print and digital ads.

#### Incentives & Compliance:

On December 12th, the SEDCO Board of Directors approved an Economic Development Performance Agreement with Robit USA, LLC. The agreement states that Robit will staff six additional full-time employees at its 2720 Fallon Drive facility, and SEDCO will provide a \$30,000 incentive upon proof that the conditions have been met. The company manufactures drill bits for mining, rock quarries, water wells, oil and gas wells.

#### Final Thoughts:

As we enter the New Year we are looking forward to many more great announcements. Not only new and expanding companies but new developments in housing, which along with skilled labor, will continue to be a need within our region. As the saying goes, "If you build it, they will come." Pause a moment and think about what our leadership, both public and private, is accomplishing. Think about how many people are being positively affected with these new jobs. Our great city is changing hundreds of lives for the better for many, many years to come. Yes, if we build it and get the word out that Sherman has great paying positions, then they will come. With them will bring economic development as those new citizens purchase goods and services, homes, and contribute to our tax base. Getting the word out that Sherman has jobs available is our next marketing effort. Look for an announcement toward the end of this month on how SEDCO plans to accomplish this. From all of us at SEDCO, HAPPY NEW YEAR and BLESSINGS for you and yours.

-John J. Plotnik, SIOR, CEcD, President

#### **BUSINESS RETENTION & EXPANSION UPDATE**

Mrs. Jones referred to the Business Retention & Expansion section of the January 2018 President's Report and noted the following: Industrial Maintenance Technician (IMT) End of Semester Celebration, presenting the IMT Program to the juniors, Sherman and Denison 8<sup>th</sup> grade manufacturing tours, Progress Rail's \$10,000 donation to the Texas Workforce Commission's Texas Industry Partnership Program (TIP Grant), and the Advanced Manufacturing Program (AMP) commercial marketing.

#### **COMMENTS**

Mrs. Bates said AMP has received \$145,000 from employer donations towards a grant total of \$415,000. She also announced the upcoming Advanced Manufacturing Lab Ribbon Cutting on January 19<sup>th</sup>.

Mayor Plyler said January's Coffee with the Mayor saw 75 attendees and discussed the need for firefighting equipment for the new fire station.

Mr. Plotnik provided a progress update on the Finisar performance agreement and said SEDCO plans to bring the agreement before the board in February. He also noted an upcoming meeting with SEDCO and the City of Sherman to discuss tax abatements for Finisar.

#### **ADJOURNMENT**

No other business came before the SEDCO Board. Motion to adjourn the meeting was made by Mrs. Bates and seconded by Mr. Shields. The meeting was adjourned at 7:49 a.m.

#### **CERTIFICATION OF CHAIRMAN AND BOARD SECRETARY**

I, John Sild, Chairman, and I, Tom Shields, 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:



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SEDCO CHAIRMAN

ATTEST:



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BOARD SECRETARY

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