

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON DECEMBER 12, 2017
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 December 12, 2017 at 7:30 A.M.

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

MEMBERS ABSENT: None

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

EX OFFICIO MEMBERS ABSENT: Councilman Jason Sofey

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

STAFF ABSENT: Mr. John Plotnik

GUESTS PRESENT: Mr. Brandon Shelby

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 7:32 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 Mrs. Bates and seconded by Mr. Douglass to approve the regular scheduled meeting minutes of November 14, 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, Overland, Tackleberry, Lynn, Orange Fire, Whiskey, Zep, Jenny, Dorothy, Dusty 1 Trail, Dusty 2 Trail, Dusty 3 Trail, Kiwi 2

Section 551.072 – Real Property: Discussion concerning projects: FS4, Intersection, Northgate Drive, Truck, Progress Park VI

The open meeting recessed in executive session at 7:33 a.m. Before discussions regarding Project Whiskey took place, Mr. Shields signed the Conflict of Interest form.

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

Mr. Sild reconvened the open meeting at 7:49 a.m.

Mr. Gadek recommended the approval of a Sherman Economic Development Corporation 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.

Motion to approve the Economic Development Performance Agreement with Robit USA, LLC was made by Mr. Douglass and seconded by Mrs. Bates. Motion was approved by Mr. Sild, Mr. Douglass, Mr. Kirkpatrick, and Mrs. Bates. Mr. Shields abstained.

ECONOMIC BAROMETER REPORT (November 2017)

Mr. Gadek presented the Economic Barometer Report and noted the following: Total city building permits are up 11.92% from YTD 2016; total city building permits value is up 84.50% from YTD 2016; SEDCO's sales tax proceeds had a slight decrease of -0.55% from YTD 2016; and Sherman's unemployment rate is 2.9% as of October 2017.

Mrs. Bates mentioned that this is the lowest unemployment rate she has seen in 40 years.

PRESIDENT'S REPORT (December 2017)

Mr. Gadek presented the following December 2017 President's Report:

Project Information:

SEDCO is presently working 12 active projects with an estimated \$892,000,000 in investments and 2,304 new jobs.

SEDCO Operations/Administration:

Progress Industrial Park is growing. Presently, SEDCO is working with the city to build a new fire station within Park I, located on the north side of FM 1417. This, along with the purchase of an additional 64 acres of land just west of Panda, insures the park to continue as a shovel-ready site for new companies looking for locations.

On November 30th, SEDCO hosted its Fall Mentor Breakfast. This biannual event gathers together the past and present Chairmen of the SEDCO Board of Directors.

SEDCO Director of Research & Marketing, Ashton Ghaemi completed the International Economic Development Council's Real Estate Development & Reuse certification course in San Diego, California.

Community Activities:

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

- AmeriState Christmas Party
- Austin College Holiday Reception
- Celebrating Global Entrepreneurship Week
- Child and Family Guidance Board Meeting
- Coffee with the Mayor
- Landmark Bank Christmas Party
- Presco's Thanksgiving Luncheon and Scrap Costume Contest
- Sanders, Motley, Young & Gallardo; Munson & Munson Holiday Party
- Spring Manufacturing Tour Planning Meeting
- Texoma Health Foundation's Holiday Gathering

Business Recruitment:

After two years of working with Project Star, Finisar was awarded the bid to purchase the MEMC building for \$20 million. This historic project will introduce our newest corporate citizen who will be producing a new product in a remodeled 700,000 square foot facility.

SEDCO also welcomed two new industries to Sherman – Combicut, Inc., a manufacturer of cutting blades for the meat industry, and Elevate Recoveries, LLC, a customer service company.

John Plotnik attended the Society of Office and Industrial Realtors (SIOR) site selector luncheon on December 6th in Dallas.

Business Retention/Expansion Program:

In the past month, we have visited with key leadership from Emerson, GlobiTech, Kaiser Aluminum, Progress Rail, Robit USA, Royal Case, Talus Payments, Texas Instruments, and West.

On November 16th, SEDCO hosted the National Human Resources Marketing Campaign Planning Meeting. Nineteen Human Resources representatives and Plant Managers from Sherman industries attended to learn more about how the campaign would be marketed to jobseekers across the nation who are looking for employment in Texas.

The Advanced Manufacturing Program (AMP) is launching a regional advertising campaign on December 22nd to create awareness of the program, targeting parents and students. Eighth grade students will soon be registering for high school and must choose a career path. The commercial featuring Terrence Steele will run on the Cinemark screen as well as KTEN, KXII and social media. The Herald Democrat will have ads online and in print.

On December 5th, the Whitesboro High School AMP students hosted a reception in honor of their mentors.

Incentives & Compliance:

On November 14th, the SEDCO Board of Directors approved an Economic Development Performance Agreement with Combicut, Inc. The agreement states that Combicut will invest \$890,000 and create three new full-time jobs at its location at 1024 E. First St., and SEDCO will provide an incentive of \$35,600 upon proof that the conditions have been met.

The Board of Directors also approved an Economic Development Performance Agreement with Elevate Recoveries, LLC. The agreement states that Elevate Recoveries will invest approximately \$220,000 and create a total of 60 new full-time jobs at its location at 1900 N. Grand Ave., and SEDCO will provide an incentive of \$240,000 upon proof that the conditions have been met.

Final Thoughts:

It has been a busy year with more great announcements yet to come. Our focus in marketing our great city is now reaching regions internationally, and Sherman has already received visits and site tours from Asia and Canada. But now is a time to reflect on this wonderful coming season of Christmas. For Christmas is the proof that this world can become a better place if we have lots of people like you who fill it with happiness, hope, and love. I have found that before I speak anything negative, I stop...count to ten...wait for it...wait for it...and then it simply disappears. From our SEDCO staff, we wish you God's great blessings, Merry Christmas, and a very Happy New Year.

-John J. Plotnik, SIOR, CECD, President

BUSINESS RETENTION & EXPANSION UPDATE

Mrs. Jones referred to the Business Retention & Expansion section of the December 2017 President's Report and noted the following: nine existing industry visits, the National Human Resources Marketing Campaign Planning Meeting, the Advanced Manufacturing Program's (AMP) regional advertising campaign, and the AMP student reception for mentors at Whitesboro High School.

COMMENTS

Mrs. Bates said AMP has received \$135,000 from employer donations and invited the board to join the Progress Rail Check Presentation at Workforce Solutions Texoma on December 12th. She also announced the upcoming Advanced Manufacturing Lab Ribbon Cutting on January 19th.

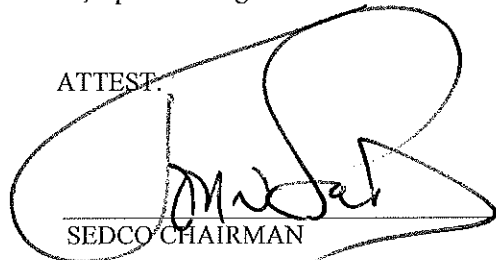
ADJOURNMENT

No other business came before the SEDCO Board. The meeting was adjourned at 8:00 a.m.

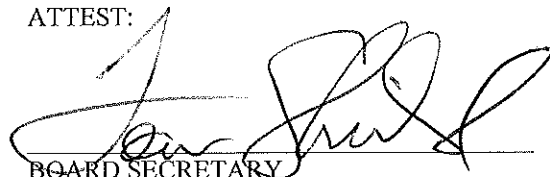
CERTIFICATION OF CHAIRMAN AND BOARD SECRETARY

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:


SEDCO CHAIRMAN

ATTEST:


BOARD SECRETARY