

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON FEBRUARY 18, 2014
AT 7:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was in the SEDCO Board Room at 307 W. Washington Street, Suite 102, Sherman, Texas, on February 18, 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, Mrs. Regina Troutz

STAFF ABSENT: Mr. Frank Gadek

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 January 14, 2014

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 7:34 a.m.

The executive session recessed and reconvened in open session at 8:13 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Pendergrass reconvened the open meeting at 8:13 a.m. and welcomed visitors.

FINANCIALS

Ms. Mary Lawrence presented the financials for December 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 11%.

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

Ms. Lawrence presented the Investment Report for the quarter ending December 31, 2013. Ms. Lawrence noted that the investment complies with state law and internal policies of investment strategy. Also the book value is at \$6.7 M which is approximately equivalent to the market value.

Motion was made by Mr. Hull and seconded by Mr. Steele to approve the Investment Report as presented by Ms. Lawrence. Motion passed unanimously.

Mr. Scott Connell, reviewed the January 2014 Economic Barometer Report. The EBR was noted that the Unemployment Rate was 5.7% for Grayson County. Mr. Connell stated the Sherman economy has had a strong first quarter, as shown on the increase in sales tax revenues.

PRESIDENT'S REPORT (January 2014)

Project Updates:

Panda – Panda has recommended a new date for a tour of the Sherman plant site. They propose Friday, March 21 at 10:00am. Please review your calendar to identify any conflicts. We will confirm the date with the company as soon as it is "ok'd" by SEDCO and City Council.

Southeastern Freight Lines – Northgate Drive extension was substantially completed in January. Final inspection is expected in February. Closing on the sale of the property (13+ acres) in Progress Park I was completed February 5.

Consolidated Container – SEDCO toured the facility as part of the Economic Development Performance Agreement requirements. The company invested \$1.2 million in facility and equipment to their plastic bottle manufacturing facility in Sherman. The incentive payment of \$60,000 was sent to the company.

Site Visits – SEDCO hosted a follow up meeting for Project Moe. SEDCO staff visited Mr. Tom McCarthy with Jones Lang LaSalle in Dallas as a follow up to Project Seventy Eight. Sherman and Denison community leaders attended events associated with Project CAF as they conducted meeting in Grayson County for final evaluations.

Proposals – SEDCO submitted initial proposals for Projects Door Panel, and One Heart. SEDCO also provided continued follow up to Projects CAF, Freight Dock, Miller, Moe, MPS, Pecan II, Seventy Eight, Tower and Triangle.

Real Estate:

The installation of water lines along Flanary Road by the City of Sherman began in late January. Work on the project continues.

SEDCO received notice from BNSF Railroad that they plan to install the concrete rail crossing on Howe Drive in March. SEDCO agreed in August to pay \$69,255 for the cost of the upgraded crossing.

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 continue to load data in the Dynamic CRM system. Staff had several training conference calls with our consultants Power Objects. We began project tracking on new projects in January.

SEDCO hosted representatives from Binswanger commercial real estate at an event in Dallas. Binswanger maintains the listing for the MEMC building. SEDCO works closely with them on marketing the facility and project opportunities

SEDCO staff participated in a conference call with four site location consultants on workforce issues. The exclusive program from Consultant Connect includes five webinars on key issues of site selection and a small conference in Dallas in March.

SEDCO hosted a representative of Site Location Partnership in Sherman to familiarize him on community amenities. The company provides site location consulting to companies and will provide SEDCO with meetings with prospect companies and site consultants as added value during our travel events. SEDCO staff attended the DFW Marketing Team meeting at the Dallas Chamber on January 29. Jim Watts, Tax Principal with Deloitte in Dallas, spoke about the trends in the incentive process. Scott Connell was interviewed by Sean Vandevveer for *This is Texoma* magazine.

Other:

Scott Connell and Chris Pendergrass presented the first quarter report to Sherman City Council on January 6 meeting.

SEDCO staff attended the grand opening event for the Grayson College South Campus in Van Alstyne.

SEDCO staff attended the Denison Development Alliance economic development conference held at Grayson College.

Regina Troutz attended the monthly Leadership Sherman class in January.

SEDCO staff attended the monthly Workforce Regional Leadership meeting at Workforce Texoma.

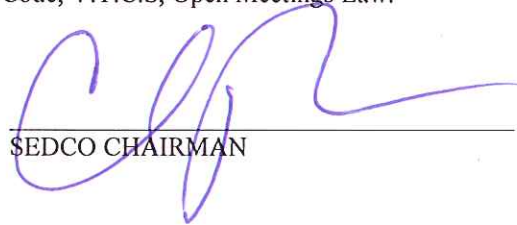
SEDCO staff attended the Oncor seminar "Future of Energy in Texas" held at the Frontiers of Flight Museum in Dallas January 30.

ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:31 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.



SEDCO CHAIRMAN

ATTEST:



SEDCO SECRETARY