

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JUNE 13, 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 June 13, 2017 at 7:30 A.M.

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

MEMBERS ABSENT: None

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

EX OFFICIO MEMBERS ABSENT: Deputy Mayor Jason Sofey

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

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby

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

Mr. Kirkpatrick, 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 MEETINGS

Motion was made by Mr. Willie Steele and seconded by Mr. Douglass to approve the regular scheduled meeting minutes of May 10, 2017 and the special called meeting minutes of June 2, 2017. 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: Bear, Tackleberry, Evergreen, Overland, RF1, Robin Hood, Cake, Cast Iron, Geo One, Purple Sunbird, Smoky Mountain, Zion Park

Section 551.072 – Real Property: Discussion concerning projects: Box, House, Northgate Drive, Truck

The open meeting recessed in executive session at 7:31 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

Mr. Kirkpatrick reconvened the open meeting at 7:56 a.m. No executive session items were considered.

ECONOMIC BAROMETER REPORT (May 2017)

Mr. Gadek presented the Economic Barometer Report and noted the following: Utility customers are up .83% from YTD 2016; sales tax proceeds are down -1.02% from YTD 2017; Grayson County months supply of real estate inventory is 3.6 months; and Sherman's unemployment rate is 3.7%.

Mr. Plotnik discussed the need for multifamily housing and said he talked with Joe Gilbert about the development in northwest Sherman. He also noted a conversation with Grayson College President Jeremy McMillen regarding the Airforce barracks and the student housing demand.

PRESIDENT'S REPORT (June 2017)

Mr. Plotnik noted the FY 2016-2017 Completed Projects and Signed Agreements in the board packet and presented the following June 2017 President's Report:

Project Information

SEDCO is presently working 12 active projects with an estimated \$2.7 Billion in investments and 2,070 new jobs.

SEDCO Operations/Administration

As we move into the mid-year, we are excited about the projects that are interested in our community. J.P. Hart Lumber is putting up the steel framing on their new plant, and a data center campus development of \$1.2 Billion (yes, Billion) has been announced. Economic development continues to be an effort in marketing the key assets of our wonderful city, and the word is getting out. Not only regionally but on national and international levels.

On May 17th, President John Plotnik spoke to the Sherman Leadership Class during Economic Development Day. Director of Research & Marketing, Ashton Ghaemi graduated from this year's Leadership Sherman class.

Plotnik also spoke to Easy Life Reality and presented SEDCO's activities at the Kiwanis Club's May meeting.

On May 31st, SEDCO hosted its Summer Mentor Breakfast. This biannual event gathers together the past and present Chairmen of the SEDCO Board of Directors.

SEDCO submitted two entries for the International Economic Development Council's (IEDC) Innovation in Economic Development Week Award. The entries included SEDCO's Industry Appreciation Presentations and the 2017 EDW Celebration. The awards will be announced in September at the IEDC 2017 Annual Conference in Toronto.

Below are the events and meetings the SEDCO staff has attended since our last report:

Advanced Manufacturing Student Appreciation Luncheon
Affordable Cellular and Repair Grand Opening and Ribbon Cutting
Assistant City Manager Don Keen's Going Away Party
Business Education for Teachers (BET) Kick Off & Wrap Up
BET-Counselors Kick Off
Coffee with the Mayor
Child and Family Guidance Board
Don's Barbeque Grand Opening and Ribbon Cutting
IMT Mentor/Student Introduction Luncheon
Leadership Sherman
Sherman Kiwanis Club
Sherman Rotary
TWC Manufacturing Committee
Workforce Solutions Texoma Board

Business Recruitment

Since our last report, we have marketed Sherman to 27 site selectors, and John Plotnik attended the Texas Economic Development Council Mid-Year Conference in Plano to discuss best practices in marketing and follow ups to contacts.

Business Retention/Expansion Program

Existing industry visits are critical. Our 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. Since our last report, we have visited with key leadership from the following Sherman companies: Kaiser Aluminum, Alorica, Emerson, Eaton, and Washington Iron Works.

SEDCO, in partnership with CertainTeed, Eaton, Emerson, Mueller Construction, Tyson and Washington Iron Works, awarded Industrial Maintenance Technology scholarships to seven Sherman High School juniors. On May 31st, these students attended a luncheon to meet seven community leaders who have graciously accepted the honor of being their mentor. The student-mentor matches are as follows:

- Abel Yanez Jr. – Sean Norton, Texoma Council of Governments
- Adolfo Delgado-Ramirez – Henry Marroquin, Henry's Painting
- Andres Rivera-Garcia – Billy Hartsfield, Sherman Fire-Rescue
- Catherine Cenicerros – Beth Kratochvil, Douglass Distributing
- Kenny McDowell – Eddie Brown, Sherman Chamber of Commerce

- Preston Moreno- Ragsdale – Mike DeLong, Sherman Boys and Girls Club
- Ricardo Beltran – Eric Ross, Travis Street Salon

The Advanced Manufacturing Student Appreciation Luncheon was sponsored by Emerson on May 21st. The inaugural class - Dustin Adams, Miguel Ramirez, Josh Benner, Wyatt Adams, Omarai Barron, Cecil Helms, Steve Ibarra, Emily Jordan, Nicholas Moreno and T.J. Stewart – was honored for their accomplishments by the Manufacturing Steering Committee.

SEDCO sponsored 10 Sherman ISD teachers and counselors for the Business Education for Teachers Externship who, along with 25 other Grayson County teachers, spent a week “working” in area businesses.

On June 8th, the Texoma Regional Consortium received the Texas Economic Development Council Workforce Excellence Award at TEDC’s Mid-Year Conference in Plano for its work in creating and implementing the Advanced Manufacturing Program. Committee Chairman Mark Anderson gave a very eloquent acceptance speech and a group of 15 representatives accepted the award.

Incentives & Compliance

SEDCO grants and incentives are instrumental in assisting our existing companies with the ability to compete, not only with their competitors but also to lower their operating cost, therefore winning business projects within their own firm that has other national plants.

On May 11th, SEDCO presented Ball DPF/Nature’s Source with their final incentive payment of \$4,765 towards their \$159,300 capital investment for the renovation of a newly purchased tank farm and the creation of one new job.

On June 2nd, the SEDCO Board of Directors approved an Option Contract with Thea Development, LLC for the development of Cassini Gateway I Data Center Campus in Progress Park I. Cassini Gateway I is expecting capital investment of over \$1 Billion that will generate 350 construction jobs over a period of 5 years and more than 150 direct engineering, technology and other jobs.

Closing Thoughts

This time of year is always bittersweet. Many of you have children that have now graduated and are preparing for a vocational program, college or their first job. While it appears their lives are moving forward, it is important to remember that life here in Sherman is progressing as well. We are building a city where our children will one day find their careers, raise families, and continue its economic growth. We are going to need their innovative ideas, creativity, and skill sets. Sherman’s business-friendly climate is one of our greatest and most marketable attributes. It’s something we are starting to be known for and is getting us recognized by key industries and professionals which bring more interest and potential companies to Sherman. This business-friendly attitude starts with the forward thinking of our public and private leadership, a characteristic our next generation of leaders will need to carry us into the future. We are going to need their young, strong minds and progressive spirits. Tell your children to be strong, always give forgiveness, never hurt those with contrary opinions, and remember to never stop trying.

Please pass on congratulations from the SEDCO staff on their achievements and blessings on their new futures.

John J. Plotnik, SIOR, CEcD
President, SEDCO

BUSINESS RETENTION & EXPANSION UPDATE

Mrs. Jones referred to the Business Retention/Expansion Program section of the June 2017 President’s Report and reported the following:

- The Texoma Regional Consortium received the Texas Economic Development Council Workforce Excellence Award at TEDC’s Mid-Year Conference in Plano.
- SEDCO sponsored 10 SISD teachers and counselors for the Business Education for Teachers Externship.
- SEDCO contributed to the Industrial Maintenance Technology scholarships for seven Sherman High School juniors and hosted a student-mentor luncheon.
- The Advanced Manufacturing Student Appreciation Luncheon was sponsored by Emerson on May 21st.

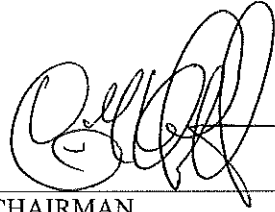
ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:07 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