

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON JANUARY 15, 2019  
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 15, 2019 at 7:30 A.M.

MEMBERS PRESENT: Mr. Brad Douglass, Mr. Tom Shields, Mrs. Janie Bates, Mr. Scott Bandemir, Ms. Gail Utter

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mr. Robby Hefton, Councilman Willie Steele, Councilman Shawn Teamann, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: Mayor David Plyler

STAFF PRESENT: Mr. Kent Sharp, Mrs. Stacey Jones, Ms. Ashton Ghaemi

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mr. Terrence Steele, Mr. William Wadsack

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

Mr. Douglass called the meeting to order at 7:30 a.m., declared a quorum present, meeting declared open, and welcomed Mr. Sharp for his first board meeting as the new President.

**CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS**

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the Regular Scheduled Board Meeting minutes of December 11, 2018. Motion was approved unanimously.

**FINANCIALS**

Mr. Sharp presented the Balance Sheet, Budget Report, and Incentives/Commitments Schedule for month ended November 30, 2018. He discussed SEDCO's debt service and if the board wants to add it to the Balance Sheet. Mr. Sharp reported that SEDCO is right on track with revenue and most of the expenses at approximately 17% used. The only exception being incentive payouts.

Mr. Sharp asked the board if they liked the format of the financials presented. Mrs. Bates said she liked the format.

**EXECUTIVE SESSION**

The Sherman Economic Development Corporation will hold an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Code Annotated, in accordance with the authority contained in the following sections:

**Section 551.087** – Economic Development: Discussion concerning the following Projects: Conquistador, Seahorse, MilePost, Cannon, Pine, Victoria

**Section 551.072** – Real Property: Discussion concerning projects: PP2, PP7, Roads

The open meeting recessed in executive session at 7:36 a.m.

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

Mr. Douglass reconvened the open meeting at 8:15 a.m.

The financials were not voted on prior to executive session. Mr. Douglass asked for a vote immediately after. Motion to approve the Financials for month ended November 30, 2018 was made by Mr. Bandemir and seconded by Mrs. Bates.

Mrs. Jones recommended the approval of a SEDCO Economic Development Performance Agreement with Modular Power Solutions (MPS). MPS plans to invest \$8,200,000 in a 172,800 sq. ft. building, \$2,000,000 for equipment, and retain 105 jobs on Fallon Drive near its leased facility, and SEDCO will provide a \$510,000 incentive upon proof that the conditions have been met.

Motion to approve the Economic Development Performance Agreement with MPS was made by Ms. Utter and seconded by Mr. Shields. Motion was approved unanimously.

#### **ECONOMIC BAROMETER REPORT (December 2018)**

Ms. Ghaemi presented the Economic Barometer Report and noted the following:

- City Building Permits are up 53.85% from Dec. 2017
- City Building Permits Value is up 178.24% from YTD 2017
- Utility customers increased 1.95% from YTD 2017
- Sales tax proceeds increased 16.95% from Dec. 2017
- Sherman's unemployment rate is 3% as of Nov. 2018

Mr. Sharp asked Mrs. Bates about the unemployment rate around the region. Mrs. Bates said Durant's unemployment rate is below Sherman's and mentioned the hotel expansion at Choctaw Casino & Resort that will bring 800 jobs.

#### **MONTHLY REPORT (December 2018 – January 2019)**

Mrs. Jones presented the Monthly Report:

SEDCO is presently working 6 active projects with an estimated \$362,900,000 in investments and 1,450 new jobs.

##### November:

SEDCO presented the final incentive payment of \$671,750 to GlobiTech, Inc. for their investment of \$17,910,114 in facility improvements and equipment and the creation of 36 jobs. This incentive payment also included a \$20,000 "Buy Local" grant.

Executive Vice President, Stacey Jones attended the Texas Workforce Commission's Employer of the Year Awards Ceremony in Houston. Congrats to Eaton for receiving Large Employer of the Year and Presco for Small Employer of the Year!

##### December:

The SEDCO Board approved SEDCO's participation in contracting engineering and surveying services to extend Progress Drive to Flanary Road and improve Flanary Road to the Progress Drive extension.

The Board also approved an Economic Development Performance Agreement with Emerson Automation Solutions Final Control US, LP. The agreement states that the company will invest \$4,800,000 in capital expenditure and create 55 new jobs, and SEDCO will provide a \$275,000 incentive upon proof that the conditions have been met.

SEDCO Director of Research & Marketing, Ashton Ghaemi was nominated for Community Leader of the Year and Ambassador of the Year by the Sherman Chamber of Commerce.

##### January:

We hosted "Practicing Economic Development: A Workshop for Community Leaders" on January 11th. Presented by TEDC President/CEO Carlton Schwab, this workshop taught the principals of economic development, answered questions about what we do and why it is important, the common traits for successful economic development organizations and built consensus on strategies. Representatives from the SEDCO Board and staff and the Sherman City Council and staff were in attendance, as well as Janie Havel, Community Relations Representative for the North/Northeast Texas Region for the Governor's Office of Economic Development & Tourism.

On January 22nd, SEDCO will host its Winter Leadership Breakfast. This quarterly event includes a round table discussion on the wants and needs of Sherman industries.

##### Business Retention & Expansion

Since our last report we have visited with key leadership from the following Sherman companies: Alorica, Christmas Designers, Consolidated Container, Emerson, Finisar, GlobiTech, J.P. Hart Lumber, Modular Power Solutions, Mueller Construction, Panda, Presco, Texas Instruments and Tyson.

On Nov. 28th, we sponsored a Human Resources network lunch with the following key employers in attendance: Douglass Distributing and CertainTeed.

On Dec. 12th, we sponsored a Plant Managers Forum at GlobiTech Inc. The following employers were in attendance: CertainTeed, Consolidated Container, Emerson, Finisar, Mueller Construction, Panda and Presco.

On Feb. 7th, we will sponsor a Safety Leaders Forum at Tyson Foods.

##### AMP Update

On Jan. 24th, SEDCO will co-sponsor the AMP Mid-Year Celebration. This event celebrates the students' accomplishments from the fall semester. This year's event will include a student-mentor competition. The students have been invited to tour Denison Industries (Whitesboro ISD), Finisar (Pottsboro, S&S and Sherman ISDs) and Presco (Denison ISD) the morning of the event.

##### SEDCO Welcomes New President Kent Sharp

On Jan. 7th, Kent Sharp completed his first day on the job as SEDCO's new President. Kent has 27 years of experience in Texas economic development (Type A and Type B) having served as the CEO of five previous municipal economic development organizations: Shamrock, Stamford, Big Spring, Gainesville, and Abilene, TX. He received his Bachelor of Science degree in Economics and Finance from Texas Christian University in 1991. Kent has been twice elected to two local independent school district boards of trustees: Big Spring in 2001 and Gainesville in 2013. In 2001, the 77th Texas Legislature created a new state agency called the Office of Rural Community Affairs (ORCA). Kent was appointed by then Speaker of the Texas House of Representatives, James "Pete" Laney, to serve as a charter board member of that agency. ORCA's main functions included providing direction for state policy on rural development, administering Texas' federally funded rural Community Development Block Grant (CDBG) program, and administering several rural health programs. In 2004, former U.S. VA Secretary Anthony Principi appointed Mr. Sharp to the U.S. Dept. of Veterans Affairs National Capital Asset and Realignment for Enhanced Services (CARES) Advisory Panel. The critical objective role of CARES was to assess initiatives that would address the future health care needs of veterans, and how and where the Department of Veterans Affairs (VA) could best provide those services. Kent is married to Angela Sharp, Executive Director of Big Country CASA. They have two children – Bailey and Austin. Bailey is a graduate of UT Austin and works in the corporate offices of Brinker International in Dallas. Austin is a TCU graduate and is employed as an electrical engineer in the corporate offices of EOG in Houston.

Attended Events & Meetings:

Austin College Innovation Expo  
Business & Professional Women's Networking Event  
City Council Meeting  
Coffee with the Mayor  
Planning & Zoning Meeting  
Sherman Cultural District Proclamation & Celebration  
Tax Reinvestment Committee Meeting  
Texoma Health Foundation's Holiday Gathering

**ADJOURNMENT**

No other business came before the SEDCO Board. The meeting was adjourned at 8:20 a.m.

**CERTIFICATION OF CHAIRMAN AND BOARD SECRETARY**

I, Brad Douglass, Chairman, and I, Janie Bates, Board Secretary, do certify that these minutes of the Regular Scheduled Board 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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CHAIRMAN

ATTEST:

  
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BOARD SECRETARY