

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON DECEMBER 10, 2019  
AT 11:30 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 10, 2019 at 11:30 A.M.

MEMBERS PRESENT: Ms. Gail Utter, Mr. Scott Bandemir, Mr. Jason Brumm, Mr. Daniel Worrell, Mrs. Janie Bates (arrived at 11:55 a.m.)

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Mr. Shawn Teamann, Mr. Willie Steele, Mr. Robby Hefton

EX OFFICIO MEMBERS ABSENT: Dr. David Hicks

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

STAFF ABSENT: None

GUESTS PRESENT: Mr. Terrence Steele, Mr. Michael Hutchins

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

Vice-Chair Ms. Utter called the meeting to order at 11:34 a.m., declared a quorum present, meeting declared open. Mrs. Bates welcomed guest Michael Hutchins of the Herald Democrat. The invocation was given by Mr. Sharp.

**PUBLIC COMMENTS**

There were no public comments.

**CONSIDER APPROVAL OF THE FOLLOWING MINUTES**

Motion was made by Mr. Bandemir and seconded by Mr. Worrell to approve the Regular Scheduled Board Meeting minutes of November 5, 2019. Motion was approved unanimously.

**CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS**

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for month ending October 31, 2019 and reported the following:

- Total assets are \$11,723,494.
- Total liability is \$11,136.
- Fund Balance is \$11,429,959.
- Revenue total is 8.63% used.
- Payment of \$1,472.87 was paid for workers' compensation.
- Tools & Supplies is at 59.80% used because a defibrillator was purchased for the office.
- Payment of \$1,668.40 was paid for general liability insurance.
- Dues & Licenses is at 44.11% because some of the annual fees are scheduled to renew at the first of the fiscal year.
- Expense total is 1.47% used.

Mr. Bandemir inquired about the approx. \$11,000 spent from the Marketing & Attraction budget. Ms. Ghaemi said it was for social media.

Mr. Worrell asked about the incentives listed on the Commitments report. Mr. Sharp said some are rollovers from FY 2018-2019. He also noted that the General Improvements budget is different from the Commitments.

Mr. Bandemir asked if they will ever show on the Balance Sheet. Mr. Sharp replied no. Mr. Hefton said if the Balance Sheet is prepared before the payment is made, then it will appear on the Balance Sheet. He added that the payments are usually paid quickly.

Motion was made by Mr. Bandemir and seconded by Mr. Worrell to approve the financial reports for the month ending October 31, 2019. Motion was approved unanimously.

#### **HISTORICAL SALES TAX & ECONOMIC BAROMETER REPORTS**

Mr. Sharp presented the Historical Sales Tax Report and reported the following:

- October 2019's payment was \$342,785.88, which is up 0.06% from October 2018.
- November 2019's payment was \$384,492.04, which is up 3.36% from November 2018.

Mrs. Jones presented the November 2019 Economic Barometer Report and reported the following:

- Although residential permits were down from this time last year, overall year to date is still up over 10%, with Commercial & Industrial permits up almost 18% year to date.
- Utility customers are up 1.72% from this time last year, with an increase of 30 customers over last month.
- Sales tax proceeds are up 3.36% with a tiny decrease on the year to date at -0.06%.
- Sherman's labor force in December 2012 was 17,889 and the unemployment rate was 6.6%. As of October 2019, the labor force has increased 12.4% to 20,424, and the unemployment rate is down to 3%.

Ms. Utter noted the commercial and industrial numbers seemed low. Mr. Hefton said because of HB 852, residential, commercial, and industrial values can no longer be reported. Ms. Utter asked if the staff could better reflect those numbers on the report. Ms. Ghaemi said the staff would remove the permit values from the report.

#### **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:

- 551.071 (Consultation with Attorney)
- 551.072 (Deliberations about Real Property) – Progress Drive Extension, Box, Thea, Twist
- 551.074 (Personnel Matters)
- 551.087 (Business Prospect/Economic Development) – Edible, Titan, Brewmaster, Dale, Forecast, High-Line, Lynn

The open meeting recessed in executive session at 11:45 a.m. Mrs. Bates arrived at the meeting at 11:55 a.m.

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

Ms. Utter reconvened the open meeting at 12:40 p.m.

#### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2019.04**

Mr. Sharp recommended the approval of Resolution No. SEDCO-2019.04 which authorizes an extension of the assistance awarded to Tyson Fresh Meats, Inc. through December 31, 2021. Mr. Sharp noted that the project scope has changed from an expansion of the facility footprint to the installation of additional lines, upgrading equipment and moderate facility upgrades.

Motion to approve Resolution No. SEDCO-2019.04 with Tyson Fresh Meats, Inc. was made by Mr. Bandemir and seconded by Mrs. Bates. Motion was approved unanimously.

#### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2019.05**

Mr. Sharp recommended the approval of Resolution No. SEDCO-2019.05 which authorizes funding of \$226,464 for Cooper B-Line, Inc. (Eaton) in exchange for their capital investment of \$4,129,284 in machinery and equipment and related training.

Motion to approve Resolution No. SEDCO-2019.05 with Cooper B-Line, Inc. was made by Mrs. Bates and seconded by Mr. Bandemir. Motion was approved unanimously.

#### **DISCUSSION AND POSSIBLE CONSIDERATION OF ENGAGING NEW LEGAL COUNCIL**

Mr. Sharp presented the Engagement Letter for Hourly Representation and the Standard Terms of Engagement from Jeffrey L. Moore of Brown & Hofmeister, L.L.P. He noted the hourly rate for Mr. Moore's services is \$250.00 per hour.

Motion to approve the Engagement Letter for Hourly Representation and the Standard Terms of Engagement from Jeffrey L. Moore of Brown & Hofmeister, L.L.P. was made by Mr. Bandemir and seconded by Mr. Worrell. Motion was approved unanimously.

Ms. Utter announced that members of the SEDCO Board of Directors and staff attended the Economic Development Sales Tax Workshop in Mesquite, TX in November. She requested that the attendees of the workshop be recorded in the minutes. The attendees included Mrs. Janie Bates, Ms. Gail Utter, Mr. Jason Brumm, Mr. Daniel Worrell, Mr. Brandon Shelby, Mr. Kent Sharp, Mrs. Stacey Jones, and Ms. Ashton Ghaemi.

**ADJOURNMENT**

The meeting was adjourned at 12:44 p.m.

**CERTIFICATION OF PRESIDING OFFICER**

I, Gail Utter, Presiding Officer, 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.



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PRESIDING OFFICER