

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JULY 14, 2020
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the Council Chambers of City Hall, 220 West Mulberry Street, Sherman, Texas on July 14, 2020 at 11:30 a.m.

MEMBERS PRESENT: Mrs. Janie Bates, Mr. Scott Bandemir, Mr. Daniel Worrell, Mr. Jason Brumm, Ms. Gail Utter

MEMBERS ABSENT: None

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

EX OFFICIO MEMBERS ABSENT: Dr. David Hicks

STAFF PRESENT: Mr. Kent Sharp, Ms. Ashton Ghaemi, Ms. Dondra Kendall, Ms. Anna Long

STAFF ABSENT: None

GUESTS PRESENT: Mr. Terrence Steele, Mr. Jeff Moore, Ms. Sandra Melton

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

Mrs. Bates called the meeting to order at 11:30 a.m., declared a quorum present, meeting declared open. Mrs. Bates recognized and welcomed SEDCO Intern Anna Long and Council Member Sandra Melton. 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. Brumm to approve the Regular Scheduled Board Meeting minutes of June 16, 2020. Motion was approved unanimously.

CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for month ending May 31, 2020 and reported the following:

- Cash – SEDCO Checking: \$2,825,701.90
- Accounts Payable: \$2,011.26
- Fund Balance: \$11,429,155.22
- Revenues Over/Under Expenses: \$847,548.18
- Total Equity and Current Surplus (Deficit): \$12,276,703.40
- Revenue Total is 70.89% used and should be around 67% at this point in the fiscal year.
- Expense total is 38.43% used.

Mr. Sharp said that the higher percentages have been explained in previous reports but noted that SEDCO is at 38.43% total expenses with 76% of the fiscal year completed.

Mr. Sharp stated the first half of the MPS incentive check was paid last summer, and the final portion was presented in June for a total of \$513,291.00. He noted that there are other commitments that may not pay out this fiscal year, but Eternity Technologies and Presco are two that will be paid.

Motion was made by Ms. Utter and seconded by Mr. Worrell to approve the financial reports for the month ending May 31, 2020. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp presented the Historical Sales Tax Report and reported July's numbers up 3.59%. He said the information he received about the audit refunds for May and June sales tax help explain the deficits shown for those months. Mr. Sharp explained that per the Finance Department, there was an audit collection in June totaling over \$174,000 with SEDCO's share being about \$33,000. Without this collection, the sales tax would have been down about 6%.

Ms. Ghaemi presented the June 2020 Economic Barometer Report and reported the following:

- New residential permits were up just over 47% from June 2019 and on the YTD. Residential additions and alterations saw an almost 88% jump from this time last year. On the flip side, commercial and industrial permits were down approx. 56% which reflected in the overall value as a -70.55%.
- The city is up 67 utility customers from May and 477 customers from last June.
- June's sales tax was down 16.48% from 2019 but up 1.29% on the YTD.
- May's months supply of housing inventory for Grayson County was 3.7 months. A slight decrease from April's 3.9.
- Sherman's unemployment rate for May was 10.1%. Down from 11.1% in April.

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:

- a) 551.071 (Consultation with Attorney)
 1. Infrastructure
- b) 551.072 (Deliberations about Real Property)
 1. Industrial Space
- c) 551.087 (Business Prospect/Economic Development)
 1. Round 2, Augustus Gloop, Canvas, Eagle Aguila, Roo, Brady Bunch, Free Flow/Good Neighbor, Ice Water, LIV-LAP, Raptor 2020, Snack Pack, Blue Phoenix, Enterprise, Leaf, Pink, Radio, Ringmaster, Zep

The open meeting recessed in executive session at 11:40 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

Mrs. Bates reconvened the open meeting at 12:05 p.m.

Mr. Sharp recommended the approval of Resolution No. SEDCO-2020.05 authorizing match funding up to \$846,000 to assist with the construction of West Travis Street. The Resolution states that the new extension would provide an alternate route for traffic entering and exiting Progress Park I (PP I); and installing a new regional detention pond on the north end would benefit current and future development inside PP I; and installing a new 12" water line beside West Travis Street would add capacity to and serve tenants located in PP I; and the installation of a road storm drainage system was needed along the new West Travis Street. The proposed match funding was presented as follows:

Regional detention pond	\$521,000
½ cost of 1,872 ft. of paving for West Travis Street (adjacent to PP I)	\$242,000
½ cost of 1,872 ft. of 12" water line (adjacent to PP I)	\$29,000
½ cost of road storm drainage system	\$54,000
TOTAL	\$846,000

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve Resolution No. SEDCO-2020.05. Motion was approved unanimously.

DISCUSSION OF THE FY 2020-2021 SEDCO BUDGET

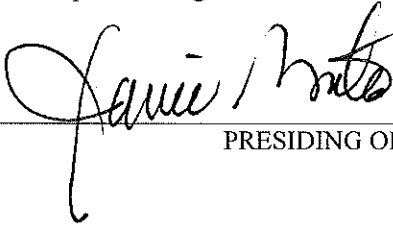
Mr. Sharp said the proposed FY 2020-2021 SEDCO Budget was approved by the Board in June but now has updates to Salaries for re-alignment and the addition of an intern and to Other Services/Charges for additional administrative fees for the entrepreneurial program. He asked if the Board had any additions for the budget. Mr. Brumm said he would like dollars added to the marketing budget for a study regarding items such as drive time to Sherman and other motivations to move to Sherman. Mr. Terrence Steele replied that the City does a similar study, and SEDCO may share the cost at \$25,000.

ADJOURNMENT

The meeting was adjourned at 12:14 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, Janie Bates, 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.



PRESIDING OFFICER