

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON NOVEMBER 14, 2023
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room, 307 W. Washington St, Ste 102, Sherman, Texas on November 14, 2023, at 11:30 a.m.

MEMBERS PRESENT: Mrs. Janie Bates, Mr. Scott Bandemir, Dr. Al Hambrick, Ms. Gail Utter

MEMBERS ABSENT: Mr. Jason Brumm

EX OFFICIO Mr. Robby Hefton, Mr. Shawn Teamann, Dr. Tyson Bennett, Mr.
MEMBERS PRESENT: Terrence Steele, Mayor David Plyler

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Mrs. Shannon Blake, Ms. April
Day, Ms. Akshaya Saravanan

STAFF ABSENT: None

GUESTS PRESENT: Mr. Jeff Moore, Mrs. Mary Lawrence

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

Mrs. Bates called the meeting to order at 11:33 a.m., declared a quorum present, meeting declared open.

The invocation was given by Mr. Sharp.

PUBLIC COMMENTS

There were no public comments.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING MINUTES

Motion was made by Ms. Utter and seconded by Dr. Hambrick to approve the Regular Scheduled Meeting Minutes of October 10, 2023. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, Anomalies, and Commitments for the month ending September 30, 2023, and reported the following:

- Cash – SEDCO Checking: \$ 4,760,279.67
- Accounts Payable: \$ 11,684.05
- Accounts Payable – Indirect: \$5,557.87
- Fund Balance: \$ 16,288,563.45
- Revenues Over/Under Expenses: \$ 5,339,040.82

- Total Liabilities, Equity and Current Surplus (Deficit): \$ 21,644,846.19
- Revenue Total: \$753,998.78
- Expense Total: \$238,032.49

On the Anomalies Report, Mr. Sharp noted that Overtime increased to 287.20% used due to overtime worked by Ms. Day during the Hispanic Heritage Festival; Maintenance Agreements increased to 101.28% used due to payment to Datroo Technologies for IT services; Marketing & Attraction increased to 100.43% used due to the payment of the Sherman Chamber of Commerce Legislative Lunch sponsorship, payment to Swaggletooth for SEDCO promotional socks, 4imprint for AMP branded Halloween bags and custom ribbon for the Mayor's Economic Roundtable, IEDC Fall Conference Sponsorship, Facebook and LinkedIn ads, the purchase of items donated to the TEDC Annual Conference PAC Auction, and payment to 2x2 Media for the Program of Works Results video; Land Maintenance increased to 107.78% used due to mowing and maintenance of SEDCO land; and Professional Services increase to 166.73% used due to legal services, legislative consulting fees, and surveying services.

On the Commitments Report, Mr. Sharp noted that three agreements had expired, resulting in \$255,689 of expected incentive payments not requiring disbursement. Mr. Sharp reported the paid year-to-date figures including incentives which totaled \$433,862 and other commitments totaling \$566,056, bringing the overall total paid year-to-date as of September 30, 2023 to \$999,918.

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the financial reports for the month ending September 30, 2023. Motion was approved unanimously.

Mrs. Lawrence presented the investment report for the quarter ending September 30, 2023 and reported the portfolio book value and market value were approximately \$16.8 million. Of this amount, \$10.6 million was held in a Local Government Investment Pool (LGIP) and \$6.2 million was held in Certificates of Deposit (CD). Activity during the quarter included interest earned on the investments and a deposit of \$1 million to the Local Government Investment Pool (LGIP). The weighted average yield on the portfolio was 5%, 55 basis points below the three-month Constant Maturity Treasury Index of 5.55%, and 37 basis points above the previous quarter. The weighted average maturity for the portfolio decreased from 77 days at June 30, 2023, to 38 days at September 30, 2023.

Mrs. Lawrence noted that SEDCO has two CDs nearing maturity, one that would mature later in the month of November and one that would mature in March of 2024. Ms. Utter inquired if the City would price CDs with longer terms and higher yields for SEDCO. Mrs. Lawrence replied that the City would review available options and look into CDs with longer-term yields.

Motion was made by Dr. Hambrick and seconded by Mr. Bandemir to approve the investment report for the quarter ending September 30, 2023. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp reported a -4.21% cumulative year-to-date sales tax for the month of November and noted that the decrease is in part due to overpayments in prior months from Texas Instruments

Mrs. Bellows presented the October 2023 Economic Barometer Report and reported the following:

1. New residential permits were up 333% compared to October 2022 but down about 40% on the YTD. Commercial and industrial permits were up approx. 45% compared to this time last year and up about 81% on the YTD. The most notable permit was for the remodel and expansion of the Central Fire Station on Travis Street valued at \$7 million.

2. The city is up 349 water customers from last October and up 56 customers from last month.
3. Sales tax decreased approx. 6% compared to October 2022. The YTD is up approx. 21%.
4. Grayson County's months supply of housing inventory increased to 4.1 months in September, up from 4 months in August.
5. Sherman's unemployment was 4% in September, down from 4.5% in August.

Mrs. Bates reported that the Red, White, and You Job Fair drew 303 jobseekers, and she noted the approx. 2,000 jobs that are being affected by the closing of the Michelin plant in Ardmore, Oklahoma.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.37 (DOUGLASS APPRECIATION)

Resolution No. SEDCO-2023.27: A resolution of the Board of Directors of the Sherman Economic Development Corporation presented to the Douglass family of Douglass Distributing as a token of our appreciation and gratitude for their immeasurable contributions to Sherman, Texas.

Motion to approve Resolution No. SEDCO-2023.27 was made by Ms. Utter and seconded by Mr. Bandemir. 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 Code Annotated, in accordance with the authority contained in the following sections:

- a. 551.071 (Consultation with Attorney)
- b. 551.072 (Deliberations about Real Property)
 1. Disposition and Acquisition
 2. 903 Brewers Add Replat LT 1 & 2 Northgate Business Park, Lot 1, 10.781 ac
 3. William Martin Survey Abstract No. 765, approx. 15 of 63.6 ac, Northside of PP VI
- c. 551.074 (Personnel Matters)
 3. Supplemental Compensation Agreement for Shannon Blake
- d. 551.087 (Business Prospect/Economic Development)
 1. Wrap, EZ, CT, Lasso RFI, Vulcan, Panel B, Signal Site, Shermanator

The open meeting recessed in executive session at 11:45 a.m.

RECONVENE OPEN MEETING AND CONSIDER APPROVAL OF THE ITEMS DISCUSSED IN EXECUTIVE SESSION

Mrs. Bates reconvened the open meeting at 12:02 p.m.

CONSIDER APPROVAL OF SUPPLEMENTAL COMPENSATION AGREEMENT FOR SHANNON BLAKE

Motion to approve the Supplemental Compensation Agreement for Shannon Blake was made by Mr. Bandemir and seconded by Ms. Utter. Motion was approved unanimously.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.28 (903 BREWERS ADD

REPLAT LT 1 & 2 NORTHGATE BUSINESS PARK, LOT 1, 10.781 AC)

Resolution No. SEDCO-2023.28: A resolution authorizing the execution of a real estate sales contract and any and all documents necessary for the acquisition of an approximately 10.781 acres of land from 903 Brewers, LLC., consisting of lot one (1) of 903 brewer’s addition, being a replat of lot 1 and 2, block 1 of the Northgate Business Park phase one addition, an addition to the City of Sherman, Grayson County, Texas; authorizing the execution of a related termination agreement and payment of certain ad valorem taxes owed on the property; providing a severability clause; and providing for an immediate effective date.

Motion to approve Resolution No. SEDCO-2023.28 approving a real estate sales contract with 903 Brewers, LLC., subject to revisions deemed necessary by SEDCO staff or attorneys was made by Mr. Bandemir and seconded by Dr. Hambrick. Motion was approved unanimously.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.29 (WILLIAM MARTIN SURVEY ABSTRACT NO. 765, APPROX. 15 OF 63.6 AC, NORTHSIDE OF PP VI – PROJECT WRAP)

This resolution was not considered for approval.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.30 (WATER LINE EASEMENT 0.041 AC)

Resolution No. SEDCO-2023.30: A resolution authorizing and approving a 0.041-acre water line easement within the William Martin Survey, Abstract No. 765, City of Sherman (“City”), Grayson County, Texas, being a portion called a 43.575 acre tract of land as described in the general warranty deed to Sherman Economic Development Corporation recorded under document no. 2021-35900 of the official public records of Grayson County, Texas. The City shall use said easement for water line utility purposes, including the right of ingress, egress, and regress therein, and to construct, reconstruct, operate, repair, enlarge, re-build, replace, relocate, alter, remove and perpetually maintain water facilities, together with all incidental improvements, and all necessary laterals, over, across, in, on, or under and through certain real property owned by SEDCO and located in the City of Sherman.

Motion to approve Resolution No. SEDCO-2023.30 was made by Dr. Hambrick and seconded by Mr. Bandemir. Motion was approved unanimously.

ADJOURNMENT

The meeting was adjourned at 12:08 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