

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON NOVEMBER 9, 2021  
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 9, 2021 at 11:30 a.m.

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

MEMBERS ABSENT: None

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

EX OFFICIO MEMBERS ABSENT: Dr. David Hicks, Mr. Terrence Steele

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Ms. Brandy Washington, Mrs. Shannon Blake

STAFF ABSENT: None

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

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

Mrs. Bates called the meeting to order at 11:36 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 Mr. Worrell and seconded by Mr. Bandemir to approve the Regular Scheduled Meeting Minutes of October 12, 2021. Motion was approved unanimously.

**DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS**

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for the month ending September 30, 2021 and reported the following:

- Cash – SEDCO Checking: \$2,689,931.01
- Accounts Payable: \$54,556.36
- Fund Balance: \$12,093,969.87
- Revenues Over/Under Expenses: \$1,704,483.24
- Total Liabilities, Equity and Current Surplus (Deficit): \$13,855,745.29
- Revenue Total: 132.47%
- Expense Total: 63.59%

Mr. Sharp explained that the 156.36% used under the account line item for professional services was due to legal services, consulting with Retail Strategies for geofencing to determine workforce flows, and some surveying of land. Mr. Sharp explained although some items were not anticipated or in the budget, the total expenses totaled 63.59%.

Motion was made by Ms. Utter and seconded by Mr. Brumm to approve the financial reports for the month ending September 30, 2021. Motion was approved unanimously.

Mrs. Bates informed that the Investment Report for Quarter Ending September 30, 2021 would be reviewed at the next meeting.

Mrs. Lawrence presented the SEDCO Investment Policy and reported that the policy is essentially the same as what was presented last year. She said that updates are generally made with legislature changes including requirements and government codes, but there have been no significant changes. Mr. Bandemir asked Mrs. Lawrence if she and Mr. Hefton would be attending training. Mrs. Lawrence responded she and Tammy Davis complete 10 hours of training every other year.

Motion was made by Ms. Utter and seconded by Mr. Bandemir to approve the SEDCO Investment Policy. Motion was approved unanimously.

## **SALES TAX AND ECONOMIC BAROMETER REPORTS**

Mr. Sharp informed the board that the new sales tax figures were not available at the time of the meeting.

Mrs. Bellows presented the October 2021 Economic Barometer Report and reported the following:

- New residential permits jumped 105% compared to October 2020 and climbed 7.41% on the YTD. Most of these permits are for the Washington Meadows and Copley additions.
- There were two new multi-family permits for townhomes on Broughton Street and a fourplex on Pacific Street.
- The city is up 32 water customers from last month and 145 customers from this time last year.
- Sales tax was up 17.40% from October 2020 and increased 16.51% on the YTD.
- The Grayson County month's supply of housing inventory was 1.9 months with no change from August.
- Sherman's unemployment rate dropped from 4.4% in August to 4.1% in September.

## **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. Cube
  2. G-0765 Martin William A-G0765, Acres 71.499
  3. Moore
- c. 551.074 (Personnel Matters)
- d. 551.087 (Business Prospect/Economic Development)
  1. Mammoth, QL, Edge, Shermanator, Blue 22, Wrap, Express, Orange, Amino, Wheat Bread, Meta Shock, Zanzibar Island, Orange TX, Vanessa, Andy, Tribute

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 12:09 p.m.

### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2021.11 (PROJECT VANESSA)**

Resolution No. SEDCO-2021.11: A resolution authorizing an extension of the assistance awarded to Emerson Automation Solutions Final Control US, LP in a performance agreement dated December 11, 2018, and previously known as "Project Vanessa" through December 31, 2022.

Motion to approve Resolution No. SEDCO-2021.11 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2021.13 (PROJECT QI)**

Resolution No. SEDCO-2021.13: A resolution authorizing a SEDCO Small Business Development Grant of up to \$50,000.00 to Quality Ingredients, an FDA regulated manufacturer of preservatives for corn tortillas, contingent on the company's ability to produce evidence of eligible capital expenditures of up to \$111,800.00 occurring on or before November 9, 2021 and being secured through an interest-free two year promissory note with equal annual installments of up to \$25,000.00, and of which each annual installment will be forgiven if Quality Ingredients maintains continuous operations in Sherman, Texas and maintains an annual average of five employees over the two years from the date of the incentive payment.

Motion to approve Resolution No. SEDCO-2021.13 was made by Ms. Utter and seconded by Mr. Worrell. Motion was approved unanimously.

### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2021.14 (PROJECT ANDY)**

Resolution No. SEDCO-2021.14: A resolution authorizing a SEDCO Small Business Development Grant of up to \$50,000.00 to Commissary Express contingent on the company's ability to produce evidence of eligible capital expenditures of up to \$150,000.00 occurring on or before May 9, 2022 and being secured through an interest-free two year promissory note with equal annual installments of up to \$25,000.00, and of which each annual installment will be forgiven if Commissary Express maintains continuous operations in Sherman, Texas and maintains an annual average of 18 employees over the two years from the date of the incentive payment.

Motion to approve Resolution No. SEDCO-2021.14 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2021.15 (PROJECT EDGE)**

Resolution No. SEDCO-2021.15: A resolution authorizing a SEDCO capital investment incentive up to \$2,651,500.00 and a "Buy Local" Grant not to exceed \$50,000.00 to II-VI Inc. contingent on the company's ability to produce evidence of eligible capital expenditures of up to \$53,030,000.00 occurring on or before November 9, 2022. This project consists of building improvements, clean room construction, system upgrades, tools, and the additional of an est. 119 new employees. The

incentive will be paid in five equal annual installments, with the first installment being paid upon receipt of documentation of paid invoices related to the project. II-VI will maintain an annual average of 390 employees over the 60-month period beginning upon receipt of documentation of the paid invoices. If II-VI makes an additional investment above the \$53,030,000.00 within 36 months of the approval of Resolution No. SEDCO-2021.15 of at least \$10,000,000.00, SEDCO will pay II-VI the remaining balance of the earned credit after that investment is made and documentation of paid invoices is provided to SEDCO.

Motion to approve Resolution No. SEDCO-2021.15 was made by Ms. Utter and seconded by Mr. Worrell. Motion was approved unanimously

**CONSIDER APPROVAL TO EXECUTE A REAL ESTATE TRANSACTION (PROJECT MOORE)**

Motion was made by Ms. Utter and seconded by Mr. Bandemir to execute a real estate transaction for Project Moore based on the terms and conditions discussed in executive session. Motion was approved unanimously.

**ADJOURNMENT**

The meeting was adjourned at 12:12 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