

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON DECEMBER 9, 2014
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 December 9, 2014, at 7:30 a.m.

MEMBERS PRESENT: Mr. Brooks Hull, Mr. Willie Steele, Mr. David Key, Mr. John Sild,
Mr. Greg Kirkpatrick

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mayor Cary Wacker, Dr. Al Hambrick, Mr. George Olson,
Councilman Jason Sofey

EX OFFICIO MEMBERS ABSENT: Deputy Mayor David Plyler

STAFF PRESENT: Mr. Scott Connell, Mr. Frank Gadek, Mrs. Stacey Jones

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mr. Robby Hefton, Ms. Mary Lawrence,

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

Mr. Hull, Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:30 a.m., declared a quorum present, meeting declared open, recognition of guests and visitors.

CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS:

Motion was made by Mr. Key and seconded by Mr. Sild to approve the regular scheduled meeting minutes of November 11, 2014. 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 Codes Annotated, in accordance with the authority contained in the following section:

Section 551.087 - Economic Development: Discussion concerning requests for economic incentives for Projects Blue II, Sotech, Patio, Molten Lava, Lightning, ML, Purple Comfort, Lights, Car, and Grower.

The open meeting recessed in executive session at 7:35 A.M.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Hull reconvened the open meeting at 7:54 A.M. and welcomed visitors.

Mr. Connell proposed a Performance Agreement with Renew Blue Industries, LLC (RBI). RBI will relocate its manufacturing operations to 1815 S. Sam Rayburn Freeway, Sherman, Texas with an investment of \$1,150,000 in building renovations and equipment and the creation of 104 new jobs. SEDCO will convey by grant a total of \$400,400 (\$3,850 per job) to be paid in three installments. The first payment will be \$180,180 based on the company providing a Certificate of Occupancy at a facility located within the Sherman city limits, documentation of the installation and full operation of the first line of production equipment and the creation of 25 jobs paid no earlier than March 9, 2015. The second payment will be \$140,140 based on the company providing documentation of the creation of 40 new jobs above the previously created 25 for a total of 65 employees in Sherman, Texas paid no earlier than May 10, 2015. The third payment will be \$80,080 based on the company providing documentation of the installation and full operation of the second line of production equipment and the creation of 39 new jobs above the previously created 65 for a total employment of 104, paid no earlier than December 11, 2015. The Agreement term is December 9, 2014 through June 9, 2016.

Motion to approve by Mr. Steele and seconded by Mr. Key. Motion approved.

FINANCIALS

Ms. Lawrence presented the financials for the month ended October 31, 2014; the net fund balance was \$7.8 million with \$8.5 million in commitments spread over several years.

Motion to approve the financials for the month ended October 31, 2014 was made by Mr. Steele and seconded by Mr. Sild. Motion approved.

PRESIDENT'S REPORT (November 2014)

Mr. Connell referred to the report in the Board packet and discussed the following:

Projects:

- Panda – The company hosted a Commissioning Ceremony on November 20. It was well attended and included some unique advanced tours of the complex.
- Southeastern Freight Lines – The company will begin operation in early December.
- Project Grower – The company has completed a lease agreement for two buildings on Gibbons Road in Southmayd. SEDCO assisted the company and real estate representatives in the process. An announcement is forthcoming from the company.
- Site Visits – SEDCO hosted follow up meetings for Project Sotech, Commons, Patio, Blue II and Stables. Site visit for Project Molten Lava was prepared but delayed to December. Hosted Project Sotech in Austin to meet with Governor's Office.
- Proposals – SEDCO submitted follow up proposals for Projects Patio and Molten Lava.

Real Estate:

- SEDCO worked with engineers to develop new maps for Progress Park III that identify all utilities and line capacity, e.g., 8" sewer line, 138kv electric line.
- SEDCO began discussions with architect on a review and update of the Sherman Youth Center. We had a pest service conducted including termite control.

Marketing:

- SEDCO participated with the DFW Marketing Team on a marketing trip to Atlanta. We met with eight site location consultants.
- SEDCO continues active work with public relations firm HCK2. Design for new corporate identity materials (business cards, letterhead, etc.) were completed with the updated logo and tagline "Distinctive Market. Global Reach." Business cards were printed and electronic version of letterhead delivered. We worked on framework of a new website for potential launch in January. New advertising concept was developed for a Chamber magazine ad utilizing new and existing photography.

Other:

- SEDCO staff toured the Hilton Garden Inn during late construction in Denison.
- SEDCO staff toured the Kaiser Aluminum manufacturing facility.
- Scott Connell met with Lex Preddy of Alecto Healthcare, the new owner of Wilson N. Jones Regional Medical Center to discuss needs for the community.
- Business Retention and Expansion program update.

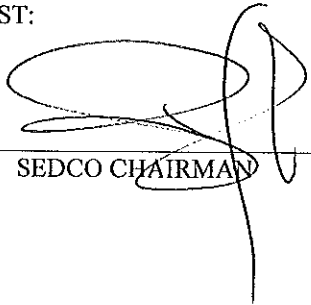
ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 8:07 A.M.

CERTIFICATION OF CHAIRMAN AND SECRETARY

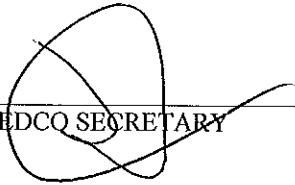
I, Brooks Hull, Chairman, and I, David Key, Board Secretary, do certify that these minutes of the Regular Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

ATTEST:



SED CO CHAIRMAN

ATTEST:



SED CO SECRETARY