

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON MARCH 12, 2024
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 March 12, 2024, at 11:30 a.m.

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

MEMBERS ABSENT: Mr. Jason Brumm

EX OFFICIO Mayor David Plyler
MEMBERS PRESENT:

STAFF PRESENT: Mr. Kent Sharp, Mrs. Shannon Blake, Ms. April Day

STAFF ABSENT: Mrs. Ashton Bellows, Ms. Akshaya Saravanan

GUESTS PRESENT: Mr. Jeff Moore, Judge Bruce Dawsey, Commissioner Jeff Whitmire, Mr. Michael Hutchins

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

Mrs. Bates called the meeting to order at 11:32 a.m., declared a quorum present, meeting declared open. She welcomed guests, Judge Dawsey and Commissioner Whitmire, to the meeting.

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 Mr. Bandemir to approve the Regular Scheduled Meeting Minutes of February 13, 2024. 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 January 31, 2024, and reported the following:

- Cash – SEDCO Checking: \$6,755,903.55
- Accounts Payable: \$6,206.97
- Accounts Payable (Indirect): \$47,797.95
- Fund Balance: \$ 21,598,675.27
- Revenues Over/Under Expenses: \$2,075,155.91
- Total Liabilities, Equity and Current Surplus (Deficit): \$23,788,191.31

- Revenue Total: \$693,753.00
- Expense Total: \$78,618.96

On the Anomalies Report, Mr. Sharp noted that Group Insurance was recorded as 34.66% used due to hourly and salary employee insurance costs; Dues & Licenses increased to 58.12% used due to payment of the Austin Business Journal Annual Subscription; Luncheons & Meetings increased to 60.47% used due to catering of the January SEDCO Board meeting, the second Texoma Semiconductor Tech Hub Workshop, and lunch for staff at the WOMO Annual Event; Marketing & Attraction increased to 36.02% used due to payment for the WOMO Sizzle Reel to 2x2 Media, WOMO Annual Event Speaker fee, Sign Gypsies outdoor signage for the WOMO Annual Event, engraving of gifts for speakers at the WOMO Annual Event, centerpieces for the WOMO Annual Event, and Zipstring promo items.

On the Commitments Report, Mr. Sharp noted that there had been no change from the previous month's report.

Motion was made by Dr. Hambrick and seconded by Mr. Bandemir to approve the financial reports for the month ending January 31, 2024. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp reported a 3.41% cumulative year-to-date sales tax for the month of February.

Mrs. Blake presented the February 2024 Economic Barometer Report and reported the following:

1. New residential permits were up approx. 29% compared to February 2023 and up 100% on the YTD. Commercial and industrial permits were up about 192% compared to this time last year. The most notable permits were for the new Fairview Elementary School, Crutchfield Elementary School, and the new elementary school in the Heritage Ranch development valued at \$45 Million, \$46 Million, and \$51 Million respectively.
2. The city is up 356 water customers on the YTD.
3. Sales tax increased 5.7% compared to February 2023 and increased 3.29% on the YTD.
4. Grayson County's months supply of housing inventory as of January was 4.2 months, up from 4 months in December.
5. Sherman's unemployment was 3.8% in January, up from 3.3% in December.

DISCUSSION OF PROPOSED STRATEGIC PLAN FOR SEDCO

Mr. Sharp shared that based upon feedback and inquiries from board members, he wanted to explore and discuss the need for a strategic plan for SEDCO. He noted that currently SEDCO follows the published Program of Work and the six primary goals established within that document. At this time, he was not recommending a strategic plan but wanted input and direction from the board. He noted that the strategic planning process is a very involved and expensive process. He requested input from the board on if they would like to explore developing and establishing a strategic plan. Ms. Utter indicated that she felt strategic planning was a useful tool but prior to initiating the additional expense we may have a discussion relative to what our options are and what can be done differently or more proactively. Mrs. Bates suggested that a town hall be held with local partners to determine areas of need. She noted that SEDCO has a great reputation throughout the state and others are seeking direction based upon our current plan and programs. Mayor Plyler cautioned SEDCO and the board regarding consultant companies that are offering strategic plans that may not be operating at the same level that SEDCO and the City of Sherman are and would need. Mr. Bandemir stated that he felt that what Mr. Sharp and staff are doing now, including continued efforts to partner with the City and County, is sufficient and already

similar to the strategic planning process. Dr. Hambrick agreed that a strategic plan does not currently seem necessary. A strategic plan will not be pursued at this time.

DISCUSSION OF A PROGRESS PARK TOUR WITH SEDCO BOARD MEMBERS

Mr. Sharp shared that he felt it would be beneficial to take the SEDCO Board Members on a tour of the Progress Parks to provide perspective for future discussions of projects and available parks. He presented options regarding conducting the tour(s) and the best way to approach, whether to take groups of three or post a special-called meeting and take the full board at once. With input from SEDCO attorney, Mr. Moore, it was decided that a special-called meeting would be held, the tour would include all board members and be open to the public. The date and time will be determined based upon availability of the board members.

UPDATE FROM COUNTY AND DISCUSSION OF PROPOSED CEMENT KILN IN DORCHESTER AND THE EFFECTS ON SHERMAN INDUSTRY

Mr. Sharp introduced Grayson County Judge, Bruce Dawsey, and Grayson County Commissioner, Jeff Whitmire to present information regarding the proposed cement kiln in Dorchester, TX, and its impact on the Sherman semiconductor industry. Judge Dawsey shared that among the pollution concerns, the impact the cement kiln may have on local industries is also a significant concern for the County. He noted that the proposal submitted by Black Mountain Resources to the Texas Commission on Environmental Quality (TCEQ) contained several inaccuracies and errors. Commissioner Whitmire stated that the proposal includes the installation of two, 385-foot tall smokestacks. He compared these to cement kilns that are currently located in Mansfield, TX – the number one source of air pollution in Dallas-Fort Worth. He noted that the planned location is 3.1 miles from Texas Instruments and GlobalWafers, potentially impacting production due to seismic activity from the blasting. He shared that there would be a public hearing on Monday, March 25th at 7 P.M. at the Hilton Garden Inn in Denison, TX. The City of Dorchester has passed a resolution and Grayson County plans to vote on a resolution regarding opposition efforts for the cement kiln. Commissioner Whitmire indicated that the County has applied and been approved for a contested case hearing in the event that TCEQ approves the proposal. He stated that the County has retained a lawyer to assist with efforts to oppose the cement kiln and they would like to hire additional consultants, as well. They are seeking additional financial support to cover the cost of the attorney and consultants needed for the opposition efforts. Mr. Bandemir confirmed with Mr. Moore that it is an acceptable expense that SEDCO can assist with. No action was required during this meeting. Additional research will be completed, and any proposed financial assistance will be presented to the board at a future meeting.

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. Sherod Dunman Survey, Abstract 329, Southeast corner of Howe & Dorsett Dr, 5.23 ac
 3. Sherod Dunman Survey, Abstract 329, Southeast corner of Howe & Dorsett Dr, 5.08 ac
- c. 551.074 (Personnel Matters)

- d. 551.087 (Business Prospect/Economic Development)
 1. Wrap, EZ, CT, Lasso RFI, Signal Site, Ice House, Dragon Fire, Hedron Dune, YoYo, Zion

The open meeting recessed in executive session at 12:16 p.m.

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

Mrs. Bates reconvened the open meeting at 12:33 p.m.

Mrs. Bates shared that the Electrical Engineering Technology (EET) lab at Sherman High School now had most of the equipment needed to begin training. Additional options for accelerated training are being explored. 20 high school seniors are currently signed up for the EET program and set to finish by Spring of 2025.

ADJOURNMENT

The meeting was adjourned at 12:36 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, Scott Bandemir, 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