

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JULY 14, 2015
AT 12:00 P.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 June 9, 2015, at 7:30 a.m.

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

MEMBERS ABSENT: Mr. David Key

EX OFFICIO MEMBERS PRESENT: Mayor Cary Wacker, Deputy Mayor David Plyler, Mr. Robby Hefton

EX OFFICIO MEMBERS ABSENT: Councilman Jason Sofey, Dr. Al Hambrick

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

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Ms. Mary Lawrence, Mr. Nate Strauch,
Mr. Steve Tessem, Mr. Joe Passanisi, Mr. Oliver McElroy,
Mr. Matthew Kirby, Mr. Drew Wilson, Ms. Heather Capps,
Ms. Emi FitzGerald, Ms. Jennifer Powell

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. Sild and seconded by Mr. Steele to approve the regular scheduled meeting minutes of June 9, 2015 and the Special called meeting minutes of June 30, 2015. Motion was approved unanimously.

FINANCIALS

Ms. Lawrence presented the financials for the month ended May 31, 2015; the net fund balance was \$7.7 million with \$8.6 million in commitments spread over several years.

Motion to approve the financials for the month ended May 31, 2015, was made by Mr. Steele and seconded by Mr. Kirkpatrick. Motion was approved unanimously.

BRAND AND WEBSITE PRESENTATION BY HCK2

The HCK2 team Ms. Capps, Mr. Kirby, Ms. FitzGerald and Mr. Wilson discussed the marketing work they have completed for SEDCO since summer 2014. They explained the creation of the brand and website design highlighting functionality and ease of in house maintenance.

Mr. Hull suggested showcasing BRE visits and testimonials.

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 the following Projects: Lightning, Printing, Two Face, Eagle, Snack, PROS

Section 551.072 – Real Property: Discussion concerning Projects Truck, SYC, Cross, Space

Section 551.074 – Personnel Matters: To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

The open meeting recessed in executive session at 12:27 P.M.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Hull reconvened the open meeting at 1:55 P.M.

Mr. Gadek proposed a Performance Agreement with Panda Sherman Power II, LLC. Panda Sherman Power II plans to develop, construct and operate an approximately 450 megawatt, natural gas fired, combined cycle, electric generation power plant. The project proposes to add \$200 million additional value to the tax rolls. SEDCO will convey by grant a total of \$2,500,000 to be paid in three increments. The contract will expire on April 1, 2019.

Motion to approve the Panda Sherman Power II, LLC Performance Agreement was made by Mr. Steele and seconded by Mr. Kirkpatrick, two in favor, one opposed. Motion approved.

ECONOMIC BAROMETER REPORT (June 2015)

Mr. Gadek referred to the Economic Barometer Report highlighting

BRE REPORT (June 2015)

Mrs. Jones referred to the report in the Board packet highlighting two BRE visits, plant managers forum and the upcoming Sherman Safety Leaders Forum.

PRESIDENT'S REPORT (June 2015)

Project Updates:

- Kaiser Aluminum – The Sherman City Council addressed the tax abatement request at a series of meetings. The Council established the Reinvestment Zone and held public hearings on a six-year tax abatement plan.
- Emerson Process Management-Fisher Controls – Company indicates the construction of the new building is complete a certificate of occupancy has been issued.
- Site Visits – SEDCO hosted two site visits, a community luncheon community tour for project Two Face in June and July. SEDCO hosted a site visit for Project Eagle
- Proposals – SEDCO submitted proposals for Projects Printing, Pros and Space. SEDCO also submitted follow up data for Project Two Face.

Real Estate:

- SEDCO began a review process for property near Progress Park. The site offers opportunities for a variety of commercial development scenarios.

Marketing:

- SEDCO staff members submitted the final data to HCK2 PR agency in preparation for the new SEDCO website launch on July 14, 2015.
- Frank Gadek attended the quarterly meeting for Texas Economic Development Council in Galveston.
- Frank Gadek attended the Workforce Committee meeting at Workforce Solutions.


ADJOURNMENT

No other business came before the SEDCO Board. The meeting adjourned at 2:05 P.M.

CERTIFICATION OF CHAIRMAN AND SECRETARY

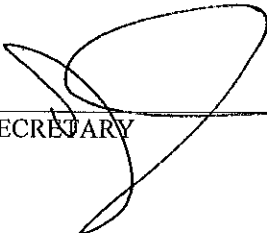
I, Brooks Hull, Chairman, and I, David Key, Board Secretary, do certify that these minutes of the Regular Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.

ATTEST:



SEDCO CHAIRMAN

ATTEST:



SECRETARY