

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE ANNUAL JOINT MEETING
OF THE BOARD OF DIRECTORS
AND THE SHERMAN CITY COUNCIL
SEPTEMBER 14, 2021
COUNCIL CHAMBERS OF CITY HALL
12:00 PM**

A joint meeting of the Sherman Economic Development Corporation Board of Directors and the Sherman City Council was convened in the Council Chambers of City Hall, 220 West Mulberry Street, Sherman, Texas on September 14, 2021 at 12:00 p.m.

SEDCO BOARD MEMBERS PRESENT: Mrs. Janie Bates (Chair), Ms. Gail Utter (Vice Chair), Mr. Scott Bandemir (Secretary), Mr. Daniel Worrell, Mr. Jason Brumm

SEDCO BOARD MEMBERS ABSENT: None

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

EX OFFICIO MEMBERS ABSENT: Dr. David Hicks

CITY COUNCIL MEMBERS PRESENT: Mayor David Plyler, Deputy Mayor Daron Holland, and Council Members Willie Steele, Sandra Melton, Pamela Howeth, Shawn Teamann

CITY COUNCIL MEMBERS ABSENT: Council Member Josh Stevenson

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

SEDCO STAFF ABSENT: None

GUESTS PRESENT: Mr. Jeff Moore (SEDCO Attorney), Mr. Michael Hutchins, Mr. Terrence Steele, Mr. Clint Philpott, Mrs. Mary Lawrence, Mrs. Tammy Davis, Mrs. Linda Ashby, Mr. Ryan Pittman (City Attorney)

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

Mayor Plyler called the meeting to order at 12:04 p.m., declared a quorum present, and opened the City Council Meeting. Janie Bates, Sherman Economic Development Corporation Chair, called the SEDCO Meeting to order.

The Pledge of Allegiance and invocation was given by Council Member Pamela Howeth.

PUBLIC COMMENTS

There were no public comments.

DISCUSS AND CONSIDER APPROVAL OF THE AUGUST 10, 2021

Motion was made by Ms. Utter and seconded by Mr. Bandemir to approve SEDCO's Regular Scheduled Board Meeting minutes of August 10, 2021. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented SEDCO's Balance Sheet, Budget Report, and Commitments for the month ending July 31, 2021 and reported the following:

- Cash – SEDCO Checking: \$2,905,317.20
- Accounts Payable Total: \$6,856.97
- Fund Balance: \$12,093,969.87
- Revenues Over/Under Expenses: \$1,214,947.71
- Total Liabilities, Equity and Current Surplus (Deficit): \$13,315,774.55
- Revenue Total: 111.10%
- Expense Total: 56.84%

Motion was made by Ms. Utter and seconded by Mr. Worrell to approve the financial reports for the month ending July 31, 2021. Motion was approved unanimously.

PRESENTATION OF SEDCO'S 2020-2021 PROGRAM OF WORK RESULTS

Mr. Sharp presented the following FY 2020-2021 Program of Work Results:

Goal A: Retain and expand existing primary employers

Continue supporting our existing primary employers for continued growth of new jobs and investments through our Business Retention & Expansion Program.

Results:

1. Existing Industry Performance Agreement Updates:
 - a. Elevate Recoveries - Presented the third incentive payment of \$48,000 after the company created 13 more new jobs for a total of 50 new jobs and approved Resolution No. SEDCO-2021.02 authorizing an extension of the assistance awarded through February 1, 2022.
 - b. Eternity Technologies - Presented the first incentive payment of \$90,163 after the company invested \$1.8M in capital expenditures.
 - c. Eaton B-Line - Approved Resolution No. SEDCO-2021.04 authorizing an incentive of up to \$67,200 towards the company's estimated \$672,000 in capital expenditures.
 - d. Emerson Automation Solutions – Presented the first incentive payment including a “Buy Local” Grant payment of \$115,322 after the company created 23 new jobs and invested \$6,440 with a local company.
 - e. 903 Brewers – Approved Resolution No. SEDCO-2021.10 authorizing a performance agreement conveying 5 acres in Progress Park I.
2. Conducted Business Retention and Expansion (BRE) visits with the following Sherman industries: II-VI, 903 Brewers, ActiTech, Commissary Express, Eaton B-Line, Elevate Recoveries, Emerson, Emerson Automation Solutions, Eternity Technologies, Modular Power Solutions, Presco, and Texas Instruments.
3. Hosted a Plant Managers Forum with guest speaker Lynn Tomaszewski, Business Development for the Texas Manufacturing Assistance Center (TMAC).
4. Hosted a joint Plant Managers Forum, Safety Leaders Forum, and Human Resources Network Meeting at the new Sherman High School which included a luncheon and a tour of the CTE wing.
5. Hosted two Leadership Breakfasts with industry representatives and community leaders to discuss the local business environment.
6. Continued promoting the available jobs at the Sherman industries on ShermanTXJobs.com, and each company received a sponsored ad on Facebook and LinkedIn.
7. Served as a communication resource to the Sherman industries during the winter weather event.
8. Representatives from SEDCO, Austin College, the City of Sherman, II-VI, and GlobiTech gathered for a Task Force Meeting to discuss the issues caused by the winter weather event.
9. Toured and photographed a 24,000 SF building owned by Mueller Construction Company for future projects seeking existing industrial space.
10. Met with a consultant to discuss a disaster-preparedness plan through TCOG.
11. Participated in numerous in-person and virtual events, meetings, trainings, webinars, and conferences and served on local, regional, and state committees and boards.
12. Provided sponsorships to the local, regional, and state organizations.

Goal B: Recruit targeted primary employers and allies

Market Sherman's attributes to attract primary employers – companies with statewide, national and global markets. Continue to build relationships with key partners including site selectors, real estate professionals, other economic development agencies, and local leadership.

Results:

13. Approved Resolution No. SEDCO-2021.03 authorizing an incentive payment up to \$70,000 to P.Q.D. International, Inc. towards the proposed \$1.4M in capital expenditures. This project will create two new jobs and retain six jobs.
14. Worked with the Governor's Office of Economic Development and Tourism, the Dallas Regional Chamber, Oncor, Burlington Northern Santa Fe Railway, site selectors, and other allies on 28 new projects.
15. Hosted 11 in-person/virtual site visits and prospect meetings and completed one HQ visit with equipment, food, and high-tech manufactures interested in relocating and/or expanding to Sherman.
16. Met with site selectors, real estate professionals, and other economic development allies to discuss Sherman's programs and assets.
17. Completed a marketing campaign for approx. 50 California companies in our target markets using contacts through the Gazelle AI software and LinkedIn.
18. Completed an aerial map update.
19. Supported the marketing efforts of the North Texas Regional Airport.
20. Started development on a new SEDCO website that will merge the content from the sedco.org, shermantxjobs.com, and shermansites.com into one website.
21. Distributed the quarterly SEDCO reports to over 1,200 newsletter contacts.
22. Continued to promote SEDCO and Sherman news, events, and more through social media.
23. Ordered new promotional giveaways to market Sherman through prospect visits and tradeshow.
24. Awarded the Texas Economic Development Council's (TEDC) 2020 Economic Excellence Recognition.

25. To celebrate SEDCO's 25th Anniversary, we launched a commemorative logo and started production of a video that highlights Sherman's industrial history leading up to SEDCO's incorporation and to present day.

Goal C: Support workforce development and employment programs

Continue to actively support the regional educational institutions, economic development organizations, workforce agencies, and industries on workforce development and training opportunities.

Results:

26. Continued to partner with the Advanced Manufacturing Consortium – a regional effort to offer career pathways to area high school students to develop a talent pipeline of upper skilled workers for advanced manufacturing that fit the needs of regional companies.
27. Co-sponsored luncheons and celebrations for teachers, counselors, mentors, industry representatives, and students that either educated attendees on the student workforce development programs or celebrated program milestones.
28. In Spring 2021, two Advanced Manufacturing Program (AMP) students received their Level I Manufacturing certificates, seven received their Industrial Maintenance Technician (IMT) certificates, and 10 received their Programmable Logic Controller (PLC) certificates.
29. Approved Resolution No. SEDCO-2021.05 authorizing SEDCO to match grant dollars with Workforce Solutions Texoma and the DDA for two Career Education Specialists positions to assist with recruitment and retention of students for AMP, IMT, and other demand occupation training programs while educating the students, teachers, and counselors on targeted jobs in the region.
30. Mailed AMP flyers to the parents of students in the 7th-9th grades at Sherman, Pottsboro, Whitesboro, and S&S. Denison Development Alliance (DDA) mailed flyers to the Denison students.
31. Visited the Sherman, Denison, Whitesboro, and Pottsboro High Schools to talk to the AMP students as a retention effort.
32. Contracted with Indoor Media to place shopping cart ads at Kroger to promote AMP.
33. Co-sponsored the Red, White & You Virtual Job Fair, the Career Connection Job Fair, and the Back to Work Job Fair.
34. Maintained current job listings for the Sherman industries on ShermanTXJobs.com and promoted the listings through sponsored ads on Facebook, Instagram, and LinkedIn.
35. Started a partnership with the Grayson College Center for Workplace Learning to offer no-cost training to full-time employees of Sherman-based, Type A businesses.

Goal D: Manage and market SEDCO real estate to attract industrial real estate investments

Maintain and market industrial land, as well as industrial buildings, to attract primary employers that result in the development of property.

Results:

1. Purchased the 10.33 acres of vacant land located at the southeast corner of Dorset Drive and Howe Drive.
2. Approved Resolution No. SEDCO-2020.10 authorizing the sale of an approx. 10-acre parcel of vacant land located at the southwest corner of West Travis Street and Northgate Drive in Progress Park I to the City of Sherman for use as a law enforcement center.
3. Purchased the 114.94 acres of vacant land located south and southeast of Emerson off U.S. Hwy 75 and is now marketed as Progress Park VIII.
4. Approved Resolution No. SEDCO-2021.06 and SEDCO-2021.07 authorizing a contract with Alliance Architects to design and a contract with Strategic Construction to construct a 78,750 sq. ft. speculative building with an expansion capability of an additional 22,680 sq. ft.
5. Approved Resolution No. SEDCO-2021.08 authorizing the execution of a real estate sales contract and other documents necessary for the acquisition of approx. 71.499 acres located south of Progress Park VII off Flanary Rd.
6. Approved Resolution No. SEDCO-2021.09 authorizing the execution of a real estate sales contract and all documents necessary for the acquisition of approx. 49.1 acres located south of Progress Park VI.
7. Completed new Phase 1 Environmental Site Assessments for Progress Parks I, II, III, IV, V, VIII, and the 71.499-acre site.
8. Updated the marketing videos to include Progress Park VIII.
9. Sponsored ads on Facebook and LinkedIn to promote the available sites in Progress Park.
10. Maintained property listings on ShermanSites.com.
11. Maintained the landscape of Progress Park to ensure a quality presentation for existing industries and prospective companies.

Goal E: Cultivate and fund an Entrepreneurial Program

Incentivize young, Type A eligible, entrepreneurial companies that will be based in Sherman and have the potential to positively impact the local economy.

Results:

1. Worked with Austin College and the Grayson Small Business Development Center (SBDC) to design program guidelines for the Raising Innovative Sherman Entrepreneurs (RISE) Program.
2. Assisted Austin College in creating RiseInSherman.com and selecting the panel of judges comprised of local business leaders.

3. Hosted two Public Interest Meetings to present the RISE Challenge and answer questions.
4. Promoted RISE through press releases, radio, and social media.
5. Launched the RISE Challenge with the goal to develop young, entrepreneurial companies by awarding a total of \$250,000 to qualified applicants.
6. Received two applications through the RISE website from the entrepreneurial business community that were reviewed by the program partners and were disqualified based on Type A eligibility.
7. Met with Austin College, the Grayson SBDC, and the judges to brainstorm ideas on how to improve the program and other ways to market the RISE Challenge.
8. Assisted in updating the RISE website and collateral and created a new marketing plan for the 2022 Challenge.

Goal E: Encourage Sherman minority-owned and women-owned businesses

Create an environment of education and support to increase the number and size of Sherman minority-owned and women-owned businesses.

Results:

1. Researched similar programs in other Texas communities to brainstorm ideas on how to structure the program.
2. Hosted the first committee meeting to introduce the program, explain the legal constraints SEDCO operates under as a Type A economic development corporation, and solicit their ideas of how SEDCO resources can be utilized to assist minority-owned and women-owned businesses.
3. Started collecting a contact database of minority-owned and women-owned businesses in Grayson County.

PRESENTATION OF SEDCO'S 2021-2022 PROGRAM OF WORK

Mr. Sharp presented the FY 2021-2022 Program of Work and reported that the goals, action items, and strategies will be carried over from the previous year.

Goal A: Retain and expand existing primary employers

Continue supporting our existing primary employers for continued growth of new jobs and investments through our Business Retention & Expansion Program.

Actions:

1. Visit existing industries to learn about new updates and current needs and seek ways to help them strengthen their Sherman operations.
2. Visit headquarters of local companies when feasible (elevated priority).
3. Support existing industries with tailored incentive agreements to attract new investments and jobs and assist local companies to compete for corporate expansions.
4. Sponsor Plant Manager and Safety Leader Forums and Human Resources Group meetings, all of which provide information, encourage dialogue among local industry, and discuss issues that affect the local business environment.
5. Host Leadership Breakfasts with industry representatives and community leaders to discuss the local business environment.
6. Work with the Sherman industries, the City of Sherman, and Grayson County to develop strategies to better prepare for disaster-related events.
7. Monitor those things which affect the industrial business climate.

Goal B: Recruit targeted primary employers and allies

Market Sherman's attributes to attract primary employers – companies with statewide, national and global markets. Continue to build relationships with key partners including site selectors, real estate professionals, other economic development agencies, and local leadership.

Actions:

1. Attract primary employers with tailored incentive agreements for new investments and jobs.
2. Develop a database of best practices related to RFPs, incentive agreements, contracts, and case studies benchmarking SEDCO's efforts in relation to other EDCs and programs.
3. Showcase the availability of sites and existing buildings (when available), incentives, and city amenities and highlight Sherman's economic development successes.
4. Distribute marketing materials and promotional items to site selectors, real estate professionals, and company administrators representing our target industries.
5. Initiate prospecting trips with allies to target industries.
6. Host real estate professionals in Sherman to promote Progress Park and other local resources and networking events for allies, site selectors, and commercial brokers.
7. Actively participate with economic development allies to increase the scope of our recruitment campaigns to attract primary employer investments and jobs.
8. Support the marketing efforts of the North Texas Regional Airport.
9. Monitor those things which affect the industrial business climate.

Goal C: Support workforce development and employment programs

Continue to actively support the regional educational institutions, economic development organizations, workforce agencies, and industries on workforce development and training opportunities.

Actions:

1. Partner with the Advanced Manufacturing Consortium – a regional effort to offer career pathways to area middle and high school students to develop a talent pipeline of upper skilled workers for advanced manufacturing that fit the needs of regional companies. These efforts include:
 - a. Advanced Manufacturing Program (AMP)
 - b. Industrial Maintenance Technician (IMT) Program
 - c. Programmable Logic Controllers (PLC)
 - d. Business Education for Teachers & Counselors
 - e. Career Fairs
 - f. Careers in Texas Industries Day
 - g. Manufacturing Day
 - h. Student Manufacturing Tours
2. In partnership with Workforce Solutions Texoma and the Denison Development Alliance, fund two Career Education Specialists positions to assist with the recruitment and retention of students for AMP, IMT, and other demand occupation training programs while educating the students, teachers, and counselors on targeted jobs in the region.
3. Work with Workforce Solutions Texoma and the Center for Workplace Learning to promote skills development training grants for new and existing industries.
4. Continue to partner with the Center for Workplace Learning to offer no-cost training to full-time employees of Sherman-based, Type A businesses.
5. In response to industries' need for employees, continue to update and promote ShermanTXJobs.com.

Goal D: Manage and market SEDCO real estate to attract industrial real estate investments

Maintain and market industrial land, as well as industrial buildings, to attract primary employers that result in the development of property.

Actions:

1. Due to a lack of available existing buildings, the staff will review opportunities for speculative buildings as well as the acquisition of existing buildings.
2. Work with allies to market SEDCO and privately-owned properties to target industries.
3. Continue strategic investments in capital improvements and expansion for Progress Park.
4. Maintain listings for SEDCO-owned properties on sedco.org.

Goal E: Cultivate and fund an Entrepreneurial Program

Incentivize young, Type A eligible, entrepreneurial companies that will be based in Sherman and have the potential to positively impact the local economy.

Actions:

1. Continue to partner with Austin College, the Grayson Small Business Development Center, and other regional leaders to execute the annual Raising Innovative Sherman Entrepreneurs (RISE) Challenge.
2. Work with the team to maintain program guidelines, update RiseInSherman.com, and select a panel of judges comprised of local business leaders.
3. Market the program through various advertising platforms.
4. Solicit applications through RiseInSherman.com from the entrepreneurial business community.
5. Execute the competition by having the judges review the applications and select the winner(s).
6. Prepare a performance agreement for the winner(s) with the conditions outlined in the program guidelines, and upon execution by all parties, present the incentive to the company.
7. Review and monitor the progress and results of the winner(s) based on the program guidelines.

Goal F: Encourage Sherman minority-owned and women-owned businesses

Create an environment of education and support to increase the number and size of Sherman minority-owned and women-owned businesses.

1. Organize a committee of local business leaders, primarily minority- and women-owned business owners.
2. Work with the committee to establish a program that will educate and provide support to new and existing minority- and women-owned business owners.
3. Develop online master classes featuring local, successful, minority- and women-owned business leaders presenting topics relevant to finance, organization, and marketing.
4. Market the master classes on various advertising platforms.
5. Educate minority- and women-owned business owners on resources available to grow and expand their operations.
6. Encourage participation of minority- and women-owned business owners in events and other networking opportunities within the City of Sherman to market their businesses.

CITY COUNCIL TO DISCUSS AND CONSIDER APPROVAL OF THE PROPOSED FY 2021-2022 PROGRAM OF WORK

Motion was made by Mrs. Howeth and seconded by Mrs. Melton to approve the FY 2021-2022 SEDCO Program of Work. Motion was approved unanimously.

PRESENTATION OF SEDCO'S 2021-2022 BUDGET

Mr. Sharp presented the following proposed FY 2021-2022 SEDCO Budget:

SEDCO Proposed FY 21-22 Budget	ACCOUNT	ACTUAL	APPROVED	CURRENT ACTUAL	PROPOSED ACTUAL (thru fiscal year end)	VARIANCE PROPOSED TO	PROPOSED	FY21 VARIANCE TO
	850-9850-	FY 19-20	FY 20-21	FY 20-21	FY 20-21	APPROVED FY20	FY 21-22	APPROVED FY20
SUMMARY								
Revenues								
Sales Tax 4A - SEDCO	60204	\$ 4,267,922	\$ 4,055,000	\$ 2,334,175	\$ 4,665,104	\$ 610,104	\$ 4,500,000	\$ 445,000
Interest Earned	66001	\$ 147,271	\$ 167,444	\$ 24,546	\$ 49,092	\$ (118,352)	\$ 58,500	\$ (108,944)
Miscellaneous Revenue	68010	\$ -	\$ -	\$ 695,810	\$ 695,810	\$ 695,810	\$ -	\$ -
TOTAL REVENUES		\$ 4,415,192	\$ 4,222,444	\$ 3,054,531	\$ 5,410,006	\$ 1,187,562	\$ 4,658,500	\$ 336,056
Expenses								
Personnel Expenses TOTAL	81000	\$ 398,957	\$ 365,320	\$ 184,210	\$ 370,904	\$ 5,584	\$ 346,385	\$ (18,935)
Supplies TOTAL	82000	\$ 9,436	\$ 18,650	\$ 4,880	\$ 10,141	\$ (8,509)	\$ 13,800	\$ (4,850)
Maintenance and Repairs TOTAL	83000	\$ 3,600	\$ 6,600	\$ 2,940	\$ 360	\$ (6,240)	\$ 5,940	\$ (660)
Utilities and Communications TOTAL	84000	\$ 10,536	\$ 13,037	\$ 8,134	\$ 12,764	\$ (273)	\$ 13,037	\$ -
Contractual or Sundry Services TOTAL	85000	\$ 1,009,701	\$ 3,297,385	\$ 467,853	\$ 671,177	\$ (2,626,208)	\$ 1,091,827	\$ (2,205,556)
Debt Service TOTAL	86000	\$ 651,137	\$ 655,027	\$ 327,513	\$ 655,027	\$ -	\$ 602,892	\$ (52,135)
Capital Expenses TOTAL	88000	\$ 1,665,315	\$ 1,760,000	\$ 2,170,170	\$ 2,215,970	\$ 455,970	\$ 7,000,000	\$ 5,240,000
TOTAL EXPENSES		\$ 3,746,682	\$ 6,116,019	\$ 3,165,701	\$ 3,936,343	\$ (2,179,676)	\$ 9,073,881	\$ 2,957,862
NET INCOME (LOSS)		\$ 666,510	\$ (1,893,575)	\$ (111,170)	\$ 1,473,663	\$ 3,367,238	\$ (4,515,381)	Surplus or (Deficit) Amount
CASH & INVESTMENTS ENDING BALANCE		\$ 12,157,228	\$ 10,263,654	\$ 12,046,059	\$ 13,630,891	\$ 13,630,891	\$ 9,115,510	

CITY COUNCIL TO DISCUSS AND CONSIDER APPROVAL OF THE 2021-2022 SEDCO BUDGET

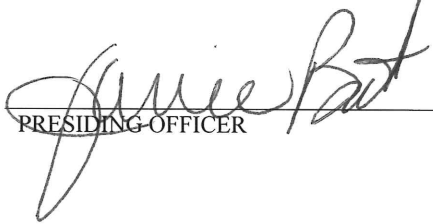
Motion was made by Mrs. Melton and seconded by Mr. Holland to approve the FY 2021-2022 SEDCO Budget. Motion was approved unanimously.

ADJOURNMENT

The meeting was adjourned at 12:38 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, Janie Bates, Presiding Officer, do certify that these minutes of the Annual Joint 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