

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON OCTOBER 8, 2019
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 October 8, 2019 at 7:30 A.M.

MEMBERS PRESENT: Mr. Brad Douglass, Mr. Tom Shields, Mrs. Janie Bates, Mr. Scott Bandemir, Ms. Gail Utter

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mr. Willie Steele, Mr. Robby Hefton, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: Mayor David Plyler, Mr. Shawn Teamann

STAFF PRESENT: Mr. Kent Sharp, Mrs. Stacey Jones, Ms. Ashton Ghaemi

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mr. Terrence Steele, Mr. Michael Hutchins

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

Mr. Douglass called the meeting to order at 7:33 a.m., declared a quorum present, meeting declared open. The invocation was given by Mr. Sharp.

CONSIDER APPROVAL OF THE FOLLOWING MINUTES

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the Regular Scheduled Board Meeting minutes of August 13, 2019. Motion was approved unanimously.

Motion was made by Ms. Utter and seconded by Mrs. Bates to approve the Annual Joint Meeting minutes of September 10, 2019. Motion was approved unanimously.

CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet for month ending July 31, 2019 and reported the assets as approx. \$11.1 million and the liabilities as \$3,691.90. He also presented the July 31, 2019 Budget Report and noted 86.73% of the revenue had been used, and the expense total was at 44.24%.

Mr. Sharp presented the Balance Sheet for month ending August 31, 2019 and reported the assets as approx. \$11.4 million and the liabilities as \$5,107.59. Mr. Douglass inquired about the Anova account, and Mr. Hefton explained that it is pooled funds. Mr. Sharp presented the August 31, 2019 Budget Report and noted 96.44% of the revenue had been used, and the expense total was at 44.91%. He also explained the balances of various accounts.

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the financial reports for the month ending July 31, 2019. Motion was approved unanimously.

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the financial reports for the month ending August 31, 2019. Motion was approved unanimously.

Mr. Sharp presented the Commitments for month ending August 31, 2019 and reported Finisar's final incentive payment was presented on Friday, October 4th. He noted the incentives for the GlobiTech and Modular Power Solutions projects will either be paid in FY 2019-2020 or FY 2020-2021.

HISTORICAL SALES TAX & ECONOMIC BAROMETER REPORTS

Mr. Sharp presented the Historical Sales Tax Report and reported the cumulative year-to-date up 2.95%. Mr. Douglass asked Mr. Hefton what his thoughts were on the sales tax. Mr. Hefton said Finisar's payments affected the July and August decreases, and the sales tax is "very healthy".

Mrs. Jones presented the September 2019 Economic Barometer Report and reported the following:

- Permitting for September 2019 is up in value and number over September 2018; however overall year to date is down in number of permits and value compared to year to date 2018.
- In January 2012, utility customers were at 12,920. As of September 2019, there are 14,453. That is over 1,500 more water users in seven and a half years.
- The Grayson County months supply of inventory in March 2017 was 3.4 months. The August 2019 supply is 4.5 months.
- The unemployment rate is 3.1 down from 3.4 this time last year. The last time the rate was at 4% or more was in March 2017.

DISCUSSION OF THE PROCESS OF REVIEWING AND UPDATING THE BYLAWS OF THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION

Mr. Sharp said it is best practice to review Bylaws after each legislative session and the last review of the SEDCO Bylaws was completed in 2010. He asked the board if the process to review the SEDCO Bylaws could begin. The board unanimously agreed.

EXECUTIVE SESSION

The Sherman Economic Development Corporation will hold 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:

- 551.071 (Consultation with Attorney) – Activities on SEDCO land
- 551.072 (Deliberations about Real Property) – Fallon Drive Extension, Progress Drive Extension, Park Street Widening
- 551.074 (Personnel Matters)
- 551.087 (Business Prospect/Economic Development) – Wildcat, Brewmaster, Illuminate, Blue Eagle, Dale, Forecast, High-Line, Lynn, Odyssey, Summit, Train, Graceful Energy

The open meeting recessed in executive session at 7:47 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

Mr. Douglass reconvened the open meeting at 9:12 a.m.

Mr. Sharp recommended the approval of the project to extend Fallon Drive and infrastructure with a budget not to exceed \$750,000.

Motion to approve the Fallon Drive extension project was made by Mr. Bandemir and seconded by Mr. Shields. Motion was approved unanimously.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2019.03

Mr. Sharp recommended the approval of Resolution No. SEDCO-2019.03 authorizing an extension of the terms of the Economic Development Performance Agreement with GlobiTech Incorporated from December 31, 2019 to December 31, 2020.

Motion to approve Resolution No. SEDCO-2019.03 with GlobiTech Incorporated was made by Mrs. Bates and seconded by Ms. Utter. Motion was approved unanimously.

COMMENTS

Ms. Ghaemi noted that Mr. Sharp and Mrs. Jones would be attending the FABTECH tradeshow in Chicago during the date of the November Regular Scheduled Board Meeting and requested a new meeting date. The board agreed to have the November Board Meeting on Tuesday, November 5th.

ADJOURNMENT

The meeting was adjourned at 9:16 a.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