

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON APRIL 8, 2014
AT 7:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was in the SEDCO Board Room at 307 W. Washington Street, Suite 102, Sherman, Texas, on April 8, 2014, at 7:30 a.m.

MEMBERS PRESENT: Mr. Chris Pendergrass, Mr. Brooks Hull, Mr. Willie Steele,
Mr. Dean Gilbert Jr.

MEMBERS ABSENT: Mr. David Key

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

EX OFFICIO MEMBERS ABSENT: None

STAFF PRESENT: Mr. Scott Connell, Mr. Frank Gadek, Mrs. Regina Troutz

STAFF ABSENT: None

GUESTS PRESENT: Judge Drew Bynum, Mr. Robby Hefton, Mr. Brandon Sheldon,
Ms. Mary Lawrence

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

Mr. Pendergrass, Chairman of the Sherman Economic Development Corporation, called the meeting to order at 7:34 a.m., declared a quorum present and opened the meeting.

CONSIDER THE APPROVAL OF MEETING MINUTES

Motion was made by Mr. Hull and seconded by Mr. Steele to approve the following meeting minutes:

Regular scheduled board meeting on March 8, 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 Section 551.087.

The open meeting recessed and reconvened in executive session at 7:36 a.m.

The executive session recessed and reconvened in open session at 9:28 a.m.

RECONVENE OPEN MEETING AND CONSIDER ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Pendergrass reconvened the open meeting at 9:28 a.m. and welcomed visitors.

CONSIDER FOR APPROVAL ECONOMIC INCENTIVE FOR FISHER CONTROLS

Mr. Scott Connell, SEDCO President, stated that SEDCO staff were notified by Emerson Process Management / Fisher Controls that the company is considering an expansion of their production capacity at their Sherman facility. Fisher Controls manufactures control valves and services for worldwide industries, such as, oil & gas, chemical, pulp and paper, energy, water, wastewater, and food & beverage. Mr. Connell outlined the performance agreement with Emerson / Fisher that provides an incentive payment of \$402,350 to be divided into three payments and paid

not earlier than December 31, 2014, October 1, 2015 and October 1, 2016. The performance agreement is based on Fisher hiring twenty-two new employees, in addition to, \$8,047,000 for new capital improvements.

Motion was made by Mr. Steele and seconded by Mr. Gilbert, Jr. to approve the performance agreement with Emerson Process Management / Fisher Controls for an incentive amount of \$402,350. Motion was approved unanimously.

FINANCIALS

Ms. Mary Lawrence presented the financials for February 2014. The net fund balance was \$10.1 million with \$9.6 million in commitments.

Motion was made by Mr. Hull and seconded by Mr. Steele to approve the February 2014 financials as presented by Ms. Lawrence. Motion passed unanimously.

Mr. Frank Gadek, reviewed the March 2014 Economic Barometer Report. The EBR was noted that the Unemployment Rate was 5.9% for Grayson County.

PRESIDENT'S REPORT (March 2014)

Project Updates:

Panda – Panda hosted the Sherman City Council and SEDCO Board of Directors for a tour of the Sherman facility. Construction staffing is still at a high level of over 600 personnel. The company intends to complete construction in the middle part of 2014.

Southeastern Freight Lines – Construction is underway for the new truck terminal facility in Progress Park I. Contractors are doing site preparation – clearing, grubbing, and dirt movement. The project is expected to be complete in September.

Modular Power Solutions – Frank Gadek and Regina Troutz toured the new equipment and facility renovations in Midway Industrial. Contracts are fully executed and production is underway.

Direct Connect – The company is currently renovating the facility in Jamestown Plaza and has hosted an open house for potential employees. They have received 100 applications so far and will host two more events on April 4 and 11. The target date for opening is May 1.

Site Visits – SEDCO hosted a conference call and site visit with Project Sotech and site visits for Project Cross and Project Moe. We had follow up meetings for Project GUSA, Project EF, Project CAF,

Proposals – SEDCO submitted a proposal for Project Eta, Project Small Box and Project Rebound. SEDCO also provided continued follow up to Projects CAF, GT-14, GUSA, Dunk, and EF.

Real Estate:

The installation of water lines along Flanary Road and across to Progress Drive continues. The City of Sherman is conducting the work and they have completed the section along Flanary Road. The next section is along the creek line (east-west) to Progress Drive.

SEDCO received an updated notice from BNSF Railroad that they will install the concrete rail crossing on Howe Drive in April. Several other projects have delayed their timeline. SEDCO agreed in August to pay \$69,255 for the cost of the upgraded crossing.

Construction is almost complete on the US 75 southbound ramp at FM1417. They have resurfaced the frontage road as part of the project. This is funded by a partnership of TX Department of Transportation, SEDCO and Harkinson Development.

Marketing:

SEDCO hosted members of the economic development team for the Dallas Regional Chamber in Sherman to familiarize them on our local resources. It included tours of our industrial parks.

SEDCO staff attended the Consultant Connect conference in Dallas. The program "Secrets of Site Selection" included presentations from four leading site location consultants – Tracey Bosman of BLS, Kate McEnroe, Don Schejldahl and Frank Spano of Austin Consulting. It was both good training and excellent networking.

SEDCO staff also participated in the Dallas commercial real estate brokers tour with the Dallas-Forth Worth Marketing team. The day was coordinated by the Dallas Regional Chamber. The group visited Cresa Partners, Transwestern, JLL and Site Selection Group.

Other:

SEDCO staff attended the Grayson College Open House for the Machining Technology Program at the Center for Workplace Learning.

Scott Connell attended the Texas Economic Development Council Spring Conference. In conjunction with the conference, SEDCO sponsored Mayor Cary Wacker and SEDCO Vice Chair Brooks Hull to attend the Basic Economic Development Course.

Scott Connell made a presentation to the Leadership Sherman class for Economic Development Day and to the monthly meeting for the Sherman Chamber Board of Directors.

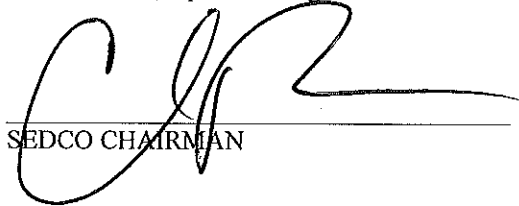
Scott Connell attended the Austin College Global Outreach Forum Posey Leadership Award event at the Perot Center in Dallas.

ADJOURNMENT


No other business came before the SEDCO Board. The meeting adjourned at 9:36 a.m.

CERTIFICATION OF CHAIRMAN AND SECRETARY

I, Chris Pendergrass, Board Chairman, and I, Willie Steele, Board Secretary, do certify that these minutes of the Executive Session 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.



SEDCO CHAIRMAN

ATTEST:


SEDCO SECRETARY