

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JULY 28, 2026
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 June 28, 2026, at 11:30 a.m.

MEMBERS PRESENT: Ms. Gail Utter (Chair), Mr. Jason Brumm (Vice Chair), Mr. Willie Steele (Secretary), Mr. Scott Bandemir, Dr. Al Hambrick, Mrs. Robin Phillips, Mr. Rob Wilson

MEMBERS ABSENT: None

EX OFFICIO SISD Superintendent Dr. Thomas O'Neil, Assistant City Manager
MEMBERS PRESENT: Terrence Steele

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Mrs. Shannon Blake, Ms. Camila Bocanegra

STAFF ABSENT: None

GUESTS PRESENT: Mr. Jeff Moore, Mr. Michael Hutchins, Grayson County Judge Bruce Dawsey

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

Ms. Utter called the meeting to order at 11:33 a.m., declared a quorum present, meeting declared open.

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 Mr. Brumm and seconded by Mr. Steele to approve the Regular Scheduled Meeting Minutes of June 23, 2026. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, Anomalies, Commitments, and ICS Sweep Reports through May 30, 2026, and reported the following:

- Cash – SEDCO Checking: \$ 3,744,503.75
- Accounts Payable: \$ 24,070.64
- Fund Balance: \$ 26,808,611.45

- Revenues Over/Under Expenses: (\$7,902,444.09)
- Total Liabilities, Equity and Current Surplus (Deficit): \$ 19,117,926.03
- Revenue Total (Period Activity): \$ 635,835.07
- Expense Total (Period Activity): \$ 5,586,987.71 (65.08%)

On the Anomalies Report, Tools & Supplies was at 120.71% due to rug for stage décor, table covers and portfolio bags, Other Services & Charges was at 81.57% due to cleaning services for tablecloths, and Incentive Payouts was at 96.70% due to two Coherent incentive payments being made within the current fiscal year.

On the Commitments Report, Mr. Sharp noted the total outstanding incentives for FY 25-26 are \$2,836,200. Mr. Sharp reported the total incentives and other commitments, including the infrastructure projects for FY 25-26 are \$4,457,096. Mr. Sharp noted that commitments were lower as the Easy Foods project has not yet closed with SEDCO.

Motion was made by Mrs. Philips and seconded by Mr. Wilson to approve the financial reports for the month ending May 30, 2026. Motion was approved unanimously.

Ms. Utter recognized Grayson County Judge Bruce Dawsey.

DISCUSSION OF PROPOSED FY 26-27 BUDGET

Mr. Sharp presented the final draft of the proposed budget for FY 2026-2027.

Mr. Brumm asked whether incentive agreements could place greater emphasis on job creation rather than capital investment. Mr. Steele suggested adjusting the projected sales tax revenue to a more conservative estimate. Mr. Terrence noted that ongoing construction at the U.S. Highway 75 and U.S. Highway 82 interchange has impacted retail activity in Sherman, resulting in lower sales tax collections, and observed that communities south of the construction area have experienced stronger sales tax performance. Ms. Gail noted that Coherent's recent investment would likely generate additional construction employment and help support future sales tax growth. Following discussion, Mrs. Bellows revised the proposed budget to reflect projected sales tax revenue of \$5.7 million.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp provided this in the budget review discussion.

Mrs. Bellows presented the June 2026 Economic Barometer Report and reported the following:

- New residential permits were down approx. 43.75% compared to June 2025 and down 3% YTD. Commercial and industrial permits were up significantly. The most notable of these permits included the Rayburn Energy Station gas turbine expansion valued at \$500 million and four permits for the Coherent renovation with a total value of \$45 million.
- The city was up 555 utility customers compared to YTD 2025 and up 24 customers between May and June.
- Sales tax was down 9.9% compared to June 2025 and down 14% YTD.
- Grayson County's months supply of housing inventory held at 7.5 months between April and May.
- Sherman's unemployment rate as of May was 3.9%, up from 3.6% in April.

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
 - Approximately 1 acre in Progress Parks
 2. Infrastructure in Progress Park
 3. Laydown Yard in Progress Park
- c. 551.074 (Personnel Matters)
- d. 551.087 (Business Prospect/Economic Development)
 1. Wrap, EZ, Zion, Turtle, Mammoth, Boston, Baby Boston, Stop Sign, Zion 2.0, Blue Carbon, Open Aperture, Pentagon, Simmer, Cost Share, Flare

The open meeting recessed in executive session at 11:54 a.m.

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

Ms. Utter reconvened the open meeting at 12:54 p.m.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2026.03

Mr. Sharp presented Resolution No. SEDCO-2026.03 authorizing funds for a change order in the construction of rail in Progress Park.

Motion was made by Mr. Bandemir and seconded by Dr. Hambrick to approve Resolution No. SEDCO-2026.03. Motion was approved unanimously.

SEDCO MARKETING TRIPS

Mrs. Blake shared information on SEDCO's second quarter marketing and business development activities, including attendance at the Team Texas at Select USA in Washington, D.C., co-hosted a site selector dinner at Soy Cowboy with five site selectors and two members of the Governor's office Southern Economic Development Council at the Site Selection Summit in Arlington, TX, co-hosted a Team Texas event during the International Asset Management Council Spring Forum where Mrs. Blake was named an IAMC Fellow, and attended the Japan Texas Economic Summit in Arlington.

Mrs. Blake shared information on upcoming marketing and business development travel, including the Team Texas Consultant Summit in South Padre Island, the SEMICON West Team Texas Road Show and SEMICON Tradeshows, the IAMC Fall Forum in Columbus, Ohio, and a visit to the Easy Foods headquarters.

UPCOMING DATES

Mrs. Blake shared that the August Board Meeting has been rescheduled to August 20 due to staff travel.

Mrs. Blake stated that the Joint Meeting will be held on September 15 at City Hall.

Ms. Bocanegra will update the calendar invitations to reflect both schedule changes.

ADJOURNMENT

The meeting was adjourned at 1:03 p.m.

Motion was made by Mr. Bandemir and seconded by Mr. Steele to adjourn. Motion was approved unanimously.

CERTIFICATION OF PRESIDING OFFICER

I, Gail Utter, 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