

Durant Economic Development Council

MINUTES OF THE REGULAR MONTHLY MEETING OF THE DURANT ECONOMIC DEVELOPMENT COUNCIL ON May 9, 2006 AT 7:45 A.M. CONFERENCE ROOM OF THE DURANT INDUSTRIAL AUTHORITY.

1. Call to Order – Tommy Kramer

Tommy Kramer called the meeting to order and began by welcoming guest Scott Smith – Career Tech Coordinator for Corporate & Executive Development (Oklahoma City), and new board members Joe Geisler – President of Vision Bank and Jim Caudle – President of First Texoma National Bank.

2. Roll Call – Kimberly Bowen

The following members were present: Ron Bennett, Steve Boggs, Paul Buntz, Ron Cross, Jim Caudle, Mike Goodwin, Joe Geisler, James Dunegan, Rick Hammel, Jackie Harms, Kathy Hendrick, Pres. Glen Johnson, Tommy Kramer, Greg Massey, and Earlene Magouirk.

The following members were absent: Curtis Armor, John Cathey, Roy Davis, Chip Davidson, Gene Fryar, Fran Mickle, Diane Perrin and James Savage.

The following guests were present: Scott Smith – Career Tech Coordinator for Corporate & Executive Development (Oklahoma City).

3. Approval of Minutes of the February 14, 2006 meeting – Tommy Kramer

A motion was made by Rick Hammel and a second by Jackie Harms to approve the minutes of the February 14th Durant Economic Development Council Meeting. Motion carried with the following vote:

Aye: Ron Bennett, Steve Boggs, Paul Buntz, Ron Cross, Jim Caudle, Mike Goodwin, Joe Geisler, James Dunegan, Rick Hammel, Jackie Harms, Kathy Hendrick, Pres. Glen Johnson, Tommy Kramer, Greg Massey, and Earlene Magouirk.

Nay: None

Abstain: None

4. Review the City of Durant March Sales Tax Collection History report – Earlene Magouirk

Earlene Magouirk reviewed the March City of Durant Sales Tax Collection report. The March 1% city sales tax collected was \$199,573 in 2005 and \$209,383 in 2006 to result in an increase of \$9,810 (4.92%). The dedicated ¼ cent Economic Development sales tax collected for March of 2006 was \$52,346.24 compared to \$49,893.53 in 2005, which resulted in an increase of 4.92%. In the last 24 months, there has been a total collection of \$1,201,554.70 for the ¼ cent Economic Development sales tax. The ¼ cent City Economic Development Sales Tax Year-To-Date has increased 7.26% in 2006 over the previous year (2005).

5. Presentation of Industrial Training Programs for Bryan County Businesses by Career Tech. – Scott Smith, Career Tech Coordinator for Corporate & Executive Development.

Scott Smith the Career Tech Coordinator for Corporate & Executive Development spoke on the most important corporate resource, which is Oklahoma workforce training. Career Tech has made workforce training the top priority. Career Tech works one-on-one with a company to design and deliver the best start-up training program available in the United States. Customized services include: Job site analysis, Pre-employment training, Pre-production training, Instructional materials and development, and Training needs assessment. Career Tech has the ability to provide ongoing, cost-effective, customized training to help keep employees up-to-date and productive. (See attached handout from Career Tech)

6. Review the March Oklahoma Labor Market Information Data. – Roy Davis

The State of Oklahoma total labor workforce for March 2006 was 1,747,690 with 1,674,490 employed and 73,210 unemployed resulting in an unemployment rate of 4.2%. The March unemployment rate for the United States is 4.8%. The Durant Micropolitan Statistical Area shows a labor force of 19,830 with 19,100 employed and 720 unemployed resulting in a March unemployment rate of 3.7%. The Southern Workforce Investment Area (Ada, Ardmore, and Durant) has a labor force of 108,040 with 103,690 employed and 4,350 unemployed resulting in an unemployment rate of 4.0% for March 2006. Bryan County ranks 9 best out of 77 counties in the unemployment rate ranking by county for March 2006. Roy Davis was absent and Tommy Kramer presented the monthly report.

7. Review and Update of Existing Economic Development Projects. – Tommy Kramer

- 1. Vision Bank** – The construction is complete and the bank is now open with a total of 14 staff members. Vision Bank is located at 2514 University Boulevard and will host a grand opening ceremony on Monday, May 15th from 5:30 p.m. – 7:30 p.m. and all day on Friday, May 19th. This is a 7,000 square foot main bank with 4 drive-thru lanes and a total investment of \$1.3 million. The President of Vision Bank is Joe Geisler.
- 2. Landmark Bank** – Landmark Bank has begun construction of their new branch bank on University Boulevard and has a tentative completion date of June 22nd. Landmark Bank plans to have a Grand Opening in July of 2006. This will be a \$1.5 million investment and an additional 7 employees. Lisa Long will be the Vice President/ Branch Manager.

3. **CustomerLinx** – CustomerLinx is relocating their Customer Service operations to the old Nichols Dollar Saver Food Warehouse located at 1012 Radio Road. They plan to relocate and move the remaining workforce to the new facility by June 1st. The workforce will experience an increase from 500 to 850 with health, optical, and dental insurance benefits. Councilman Cross has a 10-year contract with CustomerLinx and will open an employee lunchroom and snack bar in the new CustomerLinx facility. This employee lunchroom will be open in the next 3 weeks. Christie Gardner has agreed to provide a State certified 48-unit child-care learning center in the new facility called “Linx Kids Learning Center”. Ms. Gardner will have a staff of 10 employees and this will be the only child-care learning center to be open in the evening for the CustomerLinx employees in our community.

4. **High Meadows Apartment Complex** – Jerry Green the CEO and Floyd Duesler the Senior Vice President of Zerga Development plan to close on the Sarah Voorhies property on Friday, May 12th and will begin construction on Monday, May 15th. This is a \$14 million up-scale apartment development located on 18-acres. ALTA Construction located in Addison, Texas has been selected as the general contractor for the 208 full market priced apartments. There will be 32 one-bedroom units, 40 two-bedroom/one-bath units, 88 two-bedroom/two-bath units, and 48 three-bedroom units. The apartment complex will include a pool, clubhouse, and several children play ground parks.

5. **Brookstone Park - ERC Phase II Housing Development** – The ERC Phase II Housing Development has received approval through the Oklahoma Housing Finance Authority for construction of 7 affordable homes and 64 apartments. This will be income driven affordable housing located on 4.6-Acres. Bob Thorpe the Vice President of ERC Development stated that construction at the site should begin the last week of May. ERC Development is headquartered in Fort Smith and the Oklahoma Development office is located in Oklahoma City. ERC Development is the largest developer of affordable housing in Oklahoma and Arkansas. The architectural rendition of the Phase II development is on display in the conference room of the economic development office.

6. **Sonic Drive-In Unit #3** – This will be a 30-car drive-in unit located west of the Cross Creek Shopping Center. Construction will take 90 days to complete. Marvin Jirous will close on the Cross Creek property within next 2 weeks.

7. **Sports City Café** - This restaurant will be located south of the Choctaw Casino facility on U.S. Hwy 69/75. Sports City Café employs approximately 4,000 in the Dallas Metroplex area. The restaurant will be like no other restaurant in Durant with each booth having a flat screen television. This will be a \$2.5 million investment located on 2-acres and will employ 75. Nick Mehmeti is the owner and plans to open the restaurant in 2007.

8. **Holiday Inn Express** –Raj Patel will close on a 3-acre building site in the next few days for a new 100-room, 4-story hotel that will be located west of Lowe’s Home Improvement

Center. Mr. Patel has just completed similar new hotels in Lawton and Tulsa. His current plans are to open new hotels in Shawnee, McAlester, Norman, Stillwater and Durant in the next 24 months.

9. **Sleep Inn** – This 90-room hotel will be located south of the new Choctaw Casino & Resort. Charles Crews is in the process of purchasing 2.8-acres east of the Choctaw Casino and Coliseum. The hotel will have an indoor pool, conference business center, and an exercise room. The project was approved at the city council meeting on May 9th for a C-3 zoning request, which will be necessary for this 4-story hotel complex.
10. **Microtel Inns & Suites** – James & Barbara Proctor are in the process of constructing a 60-room hotel south of the Choctaw Casino. Microtel Inns & Suites is one of the fastest growing; all-new construction hotel franchise brands in the economy/budget hotel segment. Microtel Inns & Suites have 264 hotels open and 137 under development as of June 1, 2005.
11. **Blimpies** – This new sub shop restaurant will be located in the Wal-Mart Super Center. The Blimpies Subs & Salads Restaurant chain was founded in 1964 in Hoboken, N.J. Blimpies was the first sub sandwich chain in the United States. There are nearly 1,600 franchised locations across the United States and 19 company-owned restaurants.
12. **Chicken Express** - This fast food restaurant has a site under contract for a new \$1 million restaurant. This restaurant group has 107 total units and plans for construction of the Durant unit to begin on May 10th. The Chicken Express concept was born in 1988 in Benbrook, Texas. The first Chicken Express franchise store was opened in 1990. Today there are 107 locations spread across three states. Tank & Steve Nelson the owners from Gainesville.
13. **American Heritage Equine Corporation** – Rick McBride from Van Alstyne has purchased 15-acres for a new 23,000 square foot equestrian supply distribution center. The construction of this project has begun and the red iron is completed. Completion of this project is scheduled for June 2006. The City of Durant has applied for a Community Development Block Grant for an Industrial Access Road to be built from GAMCO and connect to the American Heritage Equine Corporation Distribution Center near Rodeo Road. This new distribution center will create 15 – 20 new jobs for our community. Michael & Kay Sall who are partners with Rick McBride in the American Heritage Equine Corporation have purchased a home in Durant.
14. **Best Fender Products** – The Best Fender Company is headquartered in Mt. Pleasant, Texas and they have negotiated a purchase agreement with Reggie Sullivan to buy the Sullivan building they have been leasing on South 22nd Street. Best Fender Products plan to add an additional 20,000 square feet to their existing 20,000 square foot building this summer. The company supplies metal fenders and metal trailer parts to most of the livestock and cargo trailer manufacturers in Texas, Kansas and Oklahoma.
15. **Dustco** – Ronnie & Tommy Robinson have purchased the Golden Peanut property south of

the Earth Biofuels Facility for their frac sand distribution facility. Mr. & Mrs. Robinson have remodeled the offices and started the site clean up in April. The City of Durant will apply for a Community Development Block Grant for a Railroad Spur for their facility.

16. **Durant Shredding, LLC** – Joe Fulton has purchased a metal shredder that will shred a car and divide the various types of metals in less than a minute. He will be bringing in 100 semi-truck loads of crushed cars from the 5-state area per day. The metal shredder requires a 5,000 horsepower electric motor and there will be a new power substation built for this project by OG&E or Southeastern Electric Cooperative. Mr. Fulton will incur a \$150,000 - \$200,000 electric bill each month. This \$10 million investment will create 75 new jobs and \$2.7 million in payroll annually. There is Kiamichi railroad access and a railroad spur on this site. The City and the County must improve the roads for this large Industrial project in a cooperative funding agreement. It will take a year to build the metal shredder, the electrical power substation and city roads infrastructure.
17. **Earth Biofuels** – The Earth Biodiesel facility is 90% complete. Jay Johnson the Operations Manager and Lisa Jackson the Fire Marshall are looking at the fire protection required to meet fire safety requirements set by the State of Oklahoma Fire Marshal. The City of Durant and Earth Biofuels has applied for a Community Development Block Grant for a Railroad Spur for their new facility. The facility will employ 75 and will ramp up to 120 new jobs by the third year. Tommy Johnson will present the checks from the Willie Nelson Benefit Concert to the Durant Fire Department and the 17 Bryan County Volunteer Fire Department Chiefs at the City Council Meeting on May 9th.
18. **Big Box Retailer** – There were three real estate representatives for a national big box retailer in Durant last week and they have narrowed the search to 4 possible building sites. This will be a 70,000 square foot building site that will be built in 2006/2007.
19. **New Dairy Producer** – Jon & Tami Tollenaar from Elk Grove, California have a 600-Acre dairy farm under contract and are planning to relocate their 3,500-milk cow operation to Bryan County. This is a 2nd generation dairy farmer and he will be milking 24/7 and creating 50 new jobs with workforce benefits. The Tollenaar's are one of the top dairy producers in Southern California.
20. **Site Selection Magazine** – Tommy Kramer reviewed the May 2006 issue of Site Selection Magazine. The Durant Industrial Authority ad highlights Southeastern Oklahoma State University as Oklahoma's highest ranked public regional university by U.S. News & World Report in 2006.

8. Old Business.

There was no old business to discuss.

9. New Business.

There was no new business to discuss.

10. Adjournment.

There was a motion made by Kathy Hendrick and a second by Greg Massey to adjourn the meeting. The motion carried with the following vote:

Aye: Ron Bennett, Steve Boggs, Paul Buntz, Ron Cross, Jim Caudle, Mike Goodwin, Joe Geisler, James Dunegan, Rick Hammel, Jackie Harms, Kathy Hendrick, Pres. Glen Johnson, Tommy Kramer, Greg Massey, and Earlene Magouirk.

Nay: None

Abstain: None