

DURANT ECONOMIC DEVELOPMENT COUNCIL

MINUTES

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE
DURANT ECONOMIC DEVELOPMENT COUNCIL
on January 12, 2016 AT 8:00 A.M.
Durant Industrial Authority Conference Room
215 N. 4th, Durant, OK**

I. Call To Order at 8:00 a.m. – Tommy Kramer

Tommy Kramer called the regular monthly Durant Economic Development Council Meeting to order.

II. Opening Invocation – Nate Morrison

III. Roll Call – Laura Voorhies

The following members were present: Curtis Armor, Robert Bourne, Eddy Dempsey, Scott Dewald, Bryan Hallmark, Mayor Stewart Hoffman, Robert Holliday, Tommy Kramer, Greg Massey, Darrell Mendez, Nate Morrison, Janet Reed, Rick Roy and Jeff Tarrant.

The following members were absent: Chris Allen, Shaun Banner, Sean Bradley, President Sean Burrage, Bert Davison, James Dunegan, Chris Glendening, Mike Goodwin, Jeff Hammock, Fran Mickle, Rod Miller, Larry Minks, and Cody Perryman.

IV. Consider Approval of Minutes of the October 13, 2015 Meeting. – Tommy Kramer

Robert Holliday motioned to accept the minutes from the Regular Monthly Meeting on October 13, 2015 with a second by Curtis Armor. The motion carried by:

Aye: Curtis Armor, Robert Bourne, Eddy Dempsey, Scott Dewald, Bryan Hallmark, Mayor Stewart Hoffman, Tommy Kramer, Greg Massey, Darrell Mendez, Nate Morrison, Janet Reed, Rick Roy and Jeff Tarrant.

Nay: None

Abstain: None

V. Review of City of Durant Sales Tax Revenue History – Mayor Hoffman/Sarah Sherrer

Sarah Sherrer explained that there was an increase in January over the past year (handout), the sales tax numbers are meeting the expected budget and this is the highest period in the ten years for this period. The City sales tax is 5.85% over last year for the month of December and January collection and it is progressively increasing.

VI. Introduction of Terry Buford of BrucePac Durant - Tommy Kramer

Tommy Kramer introduced Terry Buford, Vice President of BrucePac.

Terry Buford advised that it has been a great year for BrucePac, we exceeded \$200M in sales and they look forward to being in Durant for years to come. BrucePac is a national, family owned company based out of Oregon and we currently ship ready-to-eat cooked meat items all over the United States, to Canada and Australia. Our company does all meats but we are 60% poultry and everything coming out of the plant will be fully cooked and 95% will be shipped frozen.

We have the room air for each product area moving in opposite directions so it keeps the raw product air separate from the cooked product air. Currently we have 2 industrial cooking ovens and will add another one when we have 300 employees. We want to add a 2nd shift and work Monday through Saturday. The Oregon plant produces 1.3M pounds a week and we hope to start the Durant plant with 250,000 pounds a week and grow up to 1M pounds a week within 3 years. As an example of what we do, we provide Starbucks the chicken for their chicken sandwiches and cooked chicken for Wal-Mart salad mixes.

It took almost 6 months to complete the architectural drawings for the Durant plant and broke ground in July 2015. The project is a little behind schedule and a bit over budget but moving forward. Currently there are 25 employees and hope to have 112 when the plant opens. We are hoping to have a soft start February 15, 2016. This plant will be a USDA approved plant. We also want this plant to be BRC certified Level A, but that will be later as the plant has to be open and running for a certain amount of time prior.

VII. Introduction of Tyler Powell, Deputy Secretary of Environmental-State of Oklahoma - Tommy Kramer

Tommy Kramer introduced Tyler Powell, Deputy Secretary of Environment for the State of Oklahoma.

Tyler Powell advised that Governor Mary Fallin combined the Energy and Environmental departments and feels it was a great move for them to work together and they are policy advisors for the governor and the State of Oklahoma.

In regards to endangered species, under the federal laws there are 21 endangered wildlife, 3 plants and 3 species are proposed. The endangered species act has worked well in keeping a species from going extinct, but it hasn't worked very well in getting a lot of them off the list and recovering. The Oklahoma Department of Wildlife Conservation state endangered list had 3 species on it at the present time. The state has more flexibility as to how we list species as endangered. The species include 2 birds, The Least Turn and the Piping Plover and one beetle, the American Burying Beetle. The beetle was endangered in 1989 and it's habitats have flourished in Oklahoma. In Oklahoma, if you want to do industrial dirt work, you must have a study done to ensure there are no American Burying Beetles. With the Federal and the State, it can take up to 8 years to remove a species from the endangered list.

As of today, Oklahoma is not in a drought, which has not happened in a very long time, you can go do www.drought.ok.gov to look up the drought information. One area in Oklahoma had almost 90 inches of rain to date in 2016.

The annual water usage in Oklahoma is 1.8M acre-feet of water and by the year 2060 we will use as a state, one Lake Texoma worth of water. In 2012, Governor Mary Fallin signed the

Water of 2060 Act. This is to aid in reusing and recycling the water so we use as little fresh water as possible. We don't need to use treated drinking water to water the lawn. There are already communities that are reusing their water, such as Wichita Falls, TX, they use their wastewater, treat it and recycle it for drinking water. The Oklahoma Panhandle is the largest user of water in the state for watering crops, but they are becoming more efficient with new irrigation high tech systems.

Seismicity (earthquakes) have greatly increased in Oklahoma in 2014-2015. To date in 2016 we have had 50-M3+ earthquakes. You can go to www.earthquakes.ok.gov to obtain more detailed information. We believe there is a strong correlation to the wastewater injection wells. For produced well wastewater in Oklahoma in 2014, there were 1,529MM barrels of water disposed in SWD wells. There were wells that we dug to deep and we have them scaled back to aid in the decrease of earthquakes. We are currently working on finding additional uses for produced drilling well water, the issues is it is very salty. We are trying to see if it can be treated and used in industrial processes.

IX. New Business – Tommy Kramer

Janet Reed – the Durant Area Chamber of Commerce Banquet will be on January 22, 2016 at the Choctaw Resort. Call the Chamber with any questions about the banquet.

Tommy Kramer – There will be a meeting with CMC, Choctaw Nation of Oklahoma, Kiamichi Technology and the Oklahoma Employment Security Commission on February 1, 2016. This will be Commercial Metals Company's first workforce employee training and hiring meeting in Durant.

X. Adjournment – Tommy Kramer

Darrell Mendez motioned for adjournment with a second from Janet Reed.

Tommy Kramer called the meeting adjourned at 9:00 a.m.