

DURANT ECONOMIC DEVELOPMENT COUNCIL

MINUTES

MINUTES OF THE REGULAR MONTHLY MEETING

April 12, 2016 AT 8:00 A.M.

Durant Industrial Authority Conference Room

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 James Dunegan

III. Roll Call..... Laura Voorhies

The following members were present: Curtis Armor, Shaun Banner, Robert Bourne, Ron Boyer, President Sean Burrage, Bob Delveaux, James Dunegan, Chris Glendening, Mike Goodwin, Bryan Hallmark, Kara Hendrickson, Mayor Stewart Hoffman, Robert Holliday, Tommy Kramer, Darrell Mendez, Fran Mickle, Jeff Monroe, Janet Reed, Rick Roy and Jeff Tarrant.

The following members were absent: Chris Allen, Bert Davison, Eddy Dempsey, Scott Dewald, Jeff Hammock, Kyle McLemore, Rod Miller and Dr. Larry Minks.

IV. Consider Approval of Minutes of the March 8, 2016 Meeting..... Tommy Kramer

Robert Holliday motioned to accept the minutes with a second by Janet Reed. The motion carried by:

Aye: Curtis Armor, Shaun Banner, Robert Bourne, Ron Boyer, President Sean Burrage, Bob Delveaux, James Dunegan, Chris Glendening, Mike Goodwin, Bryan Hallmark, Kara Hendrickson, Mayor Stewart Hoffman, Robert Holliday, Tommy Kramer, Darrell Mendez, Fran Mickle, Jeff Monroe, Janet Reed, Rick Roy and Jeff Tarrant.

Nay: None

Abstain: None

V. Welcome New Member Bob Delveaux, GM of BrucePac Durant Tommy Kramer

Tommy Kramer introduced Bob Delveaux, General Manager of the BrucePac Durant facility as the newest member to the Economic Development Council.

VI. Update of Durant BrucePac Durant Industrial Project as of April 12, 2016 ... Tommy Kramer

Bob Delveaux advised that the meat industry is quite a challenge but one he welcomes. BrucePac Durant hired 134 local people along with bringing in a core group from the two Oregon based plants to help with the start up process and training. We had applicants come to us through word of mouth and with the help of Bryan Hallmark with the Kiamichi Technology Center and the Workforce state website.

The facility currently processes cooked chicken breasts for items such as soups and salads. They will begin shipping out their cooked chicken on Wednesday, April 13, 2016. Our chicken starts raw and then it is x-rayed, seasoned, cooked, sliced/diced, individually flash frozen and packaged for shipping. (Pictures were shown of the processes)

We are proud of what we do and are very happy of the support of the state, Durant Industrial Authority and local community. We were glad the Durant Industrial Authority members were able to take a tour and will set up more tours for others to participate in the new future.

VII. Presentation on Community Impact and future Growth of Alliance Health Durant (Part II)
.....**Jeff Tarrant**

Jeff Tarrant clarified that the owners of Alliance Health did not change, only the name. The first handout is a list of doctors that are employed by Alliance Health, which provides us with stability. The second is information on our Quick Med facility; it is located in Dr. Ken Grider's old office and it will be a walk-in clinic. Currently we have the University Medical Group and the Doctors Medical Group in which our doctors work in both facilities.

I also wanted to share the remainder of the presentation from last month. In 2014, Oklahoma was ranked 45th in health status. Typically the problems are lifestyle, smoking, drugs and poor exercise. The focus needs to be on the children to educate them in a proper lifestyle in order for the future to be better. Oklahoma has a lot of small hospitals, to date two have closed and that leaves those rural communities health services at risk.

Hospitals, doctors and health professionals are the biggest health care dollar drivers. Those dollars mainly come from the consumers, but the amount has decreased due to health care insurance. In 2014 we saw an increase in spending due to the Affordable Health Care Act but the spending slowdown may be over.

There is a constant need to grow the physician base in Durant, which will drive the volume of local care. We have an aggressive plan to bring in more physicians, but we lack space for them to have an office. Our supply of primary physicians is among the lowest in the U.S. and some of that is due to the lack of physicians. We are blessed to have several nursing programs in the area and a lot of our growth is entry-level employees. We hope to continue to develop relationships with the graduates of those medical programs, but it is hard when there are so many employers hiring nurses.

Mike Goodwin stated that Texoma Medical Center had announced that they would no longer be hiring LPN's. Is that something Alliance is heading towards?

Jeff Tarrant advised that they will continue to hire LPN's and there is no accreditation stating this must be done.

VIII. Presentation of Current Funding of Higher Education at Southeastern Oklahoma State University President Sean Burrage

Sean Burrage advised the State of Oklahoma is suffering greatly in funding education. Twenty-two years ago OU and OSU had the lowest tuition rates, 20% paid by the students and the rest by the state; now it is reported that 15-20% is paid by the universities and 60% being paid by the students at OU and OSU. Southeastern had a 5% decrease in enrollment in the Fall but it leveled off in the Spring, when the natural economy does well the enrollment decreases at colleges and universities.

We knew the budget cuts were coming (handout on budget information). We were notified to expect \$500,000 less this year (January-June). In February we were told that we would be getting another \$500,000 less, in March we were told there was another revenue failure and we would be getting \$600,000 less and in April we were told there would be \$150,000 less. WE have been cutting back as much as we can at Southeastern Oklahoma University. We have had the Regents to approve a retirement incentive and we have 30-40 people retiring in May. By July 1st we will have 50 less people than we had when I started as president. The faculty has been supportive; they read the numbers and understand the state budget. If revenue will level off, Southeastern will be better financially than it was last year. Good news is application are up and we have 67 new football players coming; the vocal and music scholarships are up.

We compete with universities like Capella and University of Phoenix with their online programs. We currently have 1/3 of our classes online and that gives us students and faculty from all over the Unites States. I don't see this trend changing and we must adapt our model to continue our growth. I believe that within 10 years all the graduate programs will be online at Southeastern Oklahoma State University.

Southeastern's tuition cost is about half that of OU, their fees are higher than ours. We must have the price point and focus on being regional. Our record enrollment was in 2009 and we must go with the flow to raise our tuition.

James Dunegan stated the community is blessed that it had the foresight to hire President Burrage to make our university great. Thank you for what you have done and the leadership you provide our community.

President Burrage stated that the university will be careful how it grows; it is not an employment agency. We need to find the right people to work at the job that is right for them and I would rather see less people, higher quality people and making more money.

Dan Pennington asked if the university received free water.

President Burrage responded that it does not receive free water.

IX. Review of Governor Mary Fallin's Press Release of Four Oklahoma Communities Named in the List of the Nation's Top Micropolitans..... Tommy Kramer

Tommy Kramer presented a handout of the letter from Governor Mary Fallin stating Durant was ranked as one of the top micropolitan communities. The information came from the Site Selection magazine.

X. Review of Oklahoma Employment Securities Commission February 2016 County Unemployment Rate Tommy Kramer

Tommy Kramer gave presentation showing the February 2016 Unemployment information. There is a shift in Western Oklahoma but we are blessed to be at 4.6%.

XI. Invitation to the April 29, 2016 11:00 am Commercial Metals Company Groundbreaking Ceremony..... Alan Jackson

Alan Jackson stated he appreciated all of the support from the Economic Development Council, Durant Industrial Authority and the City of Durant.

You are all welcome to come to the April 29, 2016 Groundbreaking Ceremony and hope to see you there.

XII. New Business..... Tommy Kramer

Tommy Kramer stated he received a call from Dr. Mike Woods-Economic Development at Oklahoma State University and he will present an economic development opportunity in Washington D.C. and he will be show a case study of TEAM DURANT and how growth and business development access with a team of players within a rural community in Oklahoma.

X. Adjournment..... Tommy Kramer

Janet Reed motioned for adjournment with a second from Darrell Mendez.
Tommy Kramer called the meeting adjourned at 9:00 a.m.