



Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY SPECIAL CALLED MEETING

June 26, 2017 at 3:00 p.m.



- I. **Call to Order..... Chairman Massey**
Chairman Massey called the meeting to order at 3:00 p.m., declared a quorum present, and opened the meeting.
- II. **Opening Invocation..... Tommy Kramer**
- IV. **Roll Call Laura Voorhies**

The following Durant Industrial Authority members were present: Billy Blackburn, President Sean Burrage, Oden Grube, Tammye Gwin, Chairman Greg Massey, Kyle McLemore, Darrell Mendez, Janet Reed and Martin Tucker

The following Support Staff members were present: Tommy Kramer and Laura Voorhies

The following guests were present at this month’s meeting: Charles Calhoun, Rex Williams, Robert Holliday-OG&E, Dan Pennington-Durant Daily Democrat – Brittany Harlow-KXII TV Station, An-Chen Lai-City Treasurer, Tim Rundel-City Manager

- V. **Consideration and Action – Funding of the Durant Industrial Authority Fiscal Year 2017-2018 Chairman Massey**

Greg Massey deferred to Tommy Kramer to explain a three-month funding solution.

Tommy Kramer stated there was an approximate \$118,000 in Durant Industrial Authority pooled cash and it can be used for daily operational use with no issues. This will keep us from using the three CD accounts that have been dedicated for industrial park improvements. Tommy added to the packets a list showing the funding to the Durant Industrial Authority from the Durant City Utilities Authority and noted that the Durant Industrial Authority paid back to the City approximately \$2,669,567 for infrastructure City projects.

Greg Massey state he spoke with Tim Rundel about the remaining part of the FY 2017-2018 year and Tim, the Mayor and myself will work on a plan together for a long-term DIA funding plan.

Tim Rundel stated that the City is monitoring its expenditures. He also stated that he, the Mayor and Oden Grube would be discussing a way to fund the Durant Industrial Authority department and other projects. He gave his assurance that he would stay on top of this to provide a solution.

A motion was made to approve the three-month DIA funding solution by Darrell Mendez and Janet Reed seconds the motion. The motion carried by:

Aye: Billy Blackburn, Oden Grube, Chairman Greg Massey, Kyle McLemore, Darrell Mendez, Janet Reed and Martin Tucker

Nay: None

Non-Voting Members: Tammye Gwin and President Sean Burrage

VI. Consideration and Action – Annual Contract Between the Durant Industrial Authority and the Durant City Utilities Authority..... Tommy Kramer

Greg Massey stated that since the Durant Industrial Authority will be self-funding the first three months of the 2017-2018 fiscal year, there is no action on this item.

Tim Rundel stated that he, Chairman Massey and the Mayor would work together on the details of the contract and some parts will need to be changed, such as Paragraph 6 where it discusses fully funding the Durant Industrial Authority.

Tommy Kramer suggested that Paragraph 7 also be reviewed, as it states if the Durant Industrial Authority doesn't spend all of its monies the balance will return to the Durant City Utilities Authority.

Tim Rundel stated that some years back, the Durant Industrial Authority kept the balance and at some point that was changed for the money to come back to the City.

Greg Massey asked Tim Rundel if he was planning on taking the balance of the fiscal year 2016-2017 funds from the Durant Industrial Authority.

Tim Rundel stated the City would not be taking the balance of the fiscal year 2016-2017 funds from the Durant Industrial Authority.

VII. Review Commercial Metals Company Durant Tax Increment Financing Bonds and Closing Memorandum..... Tommy Kramer

Tommy Kramer advised that the Durant Industrial Authority would fund the second series of bonds on July 3, 2017 and will send a check for \$3,100,000 of the 110 account funds. The account is short money, but when the SteelFab land closing occurs the money will be added to complete the \$3,100,000. This is a milestone for the City of Durant and the Durant Industrial Authority to have the local bankers fund the bonds for this project and Tommy thanked them all for their CMC-TIF project support.

VIII. Review SteelFab Project..... Tommy Kramer

Tommy Kramer advised the contract has been executed and the land purchase will close on July 3, 2017 and An-Chen Lai, City Treasurer requested a paper check be sent to the City. This company will create 100-150 new jobs and the CDBG process for the water and sewer service has begun with the City Manager and Wall Engineering.

IX. Update – Webstaurant Store Distribution Center Project..... Tommy Kramer

Tommy Kramer stated there was a meeting between Webstaurant and the Oklahoma Employment Securities Commission to discuss the hiring of qualified employees. The new manager of the center is Rick Roy and the management team has been hired. They will begin hiring the first 80 employees with the total staffing being 200. This company is a great company to work for, they will have a small café, a 401K plan, in which they match up to 6%, day care voucher and games in the snack area for their employees. This will be a 24-hour distribution center and will change the minimum wage in the community, as they will start their basic employees at \$13.50 per hour.

XIX. Adjournment..... Chairman Massey

A motion was made to approve by Sean Burrage. Tammye Gwin seconds the motion. The motion carried by:

Aye: Billy Blackburn, Oden Grube, Chairman Greg Massey, Kyle McLemore, Darrell Mendez, Janet Reed and Martin Tucker

Nay: None

Non-Voting Members: Tammye Gwin and President Sean Burrage