

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY REGULAR CALLED MEETING OF September 8, 2015, AT 7:00 A.M. IN THE DURANT INDUSTRIAL AUTHORITY CONFERENCE ROOM.

I. Call to Order –Chairman Massey

Chairman Massey called the meeting to order at 7:03 a.m., declared a quorum present, and opened the meeting.

II. Opening Invocation – Janet Reed

III. Roll Call – Julie Ingram

The following Durant Industrial Authority members were present: Mayor Hoffman, Chairman Massey, Darrell Mendez, Nate Morrison, and Janet Reed.

The following Durant Industrial Board Members were absent: Ron Bennett and Fran Mickle

The following support staff members were present: Julie Ingram, and Tommy Kramer.

The following guests were present at this month's meeting: Sarah Sherrer, Assistant City Manager of Durant, and Cheryl Vinall Denney Attorney at Law, with McAfee & Taft Law Firm in Oklahoma City.

IV. Consider Approval of Minutes for the Regular Monthly Meeting on August 11 2015 – Chairman Massey.

A motion was made by, Janet Reed to approve the August 11, 2015 minutes. Darrell Mendez seconded the motion. The motion was carried by:

Aye: Mayor Hoffman, Greg Massey, Darrell Mendez, Nate Morrison, and Janet Reed.
Nay: None
Abstain: None

V. Discuss the Commercial Metals Company Micro Steel Mill Project – Chairman Massey

Tommy Kramer presented an update on the Commercial Metals Company design for the micro steel mill. Mr. Kramer distributed a handout of the building design and explained that the manufacturing plant will sit in the middle of the 400 acres. The design included the two entrances into the plant, one for the employees, and one for the trucks from Old East Main Street.

Mr. Kramer announced the two individual's that will be relocating to Durant. Alan Jackson from Mesa, AZ. Mr. Jackson is the Director of Operations and will be the Director of Operations at the Durant plant. Scott Henderson is the Construction Manager and he will be overseeing all of the construction at the Durant plant. Mr. Henderson is relocation from the Commercial Metals Company South Carolina Facility.

Mr. Kramer updated briefly the environmental testing that has been ongoing for several months. Brad Bredesen is the Environmental Engineer for Commercial Metals Company and has been overseeing the testing of the 400 acres building site.

Mr. Kramer updated the ODEQ air quality meeting that was held last week at the Durant Industrial Authority office. The meeting was announced to the public through the Daily Democrat Newspaper. Mr. Clinton with ODEQ, Brad Bredesen, Scott Henderson, Randy Walker and Alan Jackson with Commercial Metals Company were present. The meeting was open to the public, but no one showed for the meeting on Thursday evening, September 3rd.

Mr. Kramer announced that Mr. Dansby has agreed to sell his land for the Commercial Metals Company Project. He originally had declined, and now has agreed to sell his 29 acres.

VI. Update of the Durant Industrial Authority and The Tile Shop Phase II Distribution Center Project – Chairman Massey

Mr. Kramer gave an update on The Tile Shop Phase II Distribution Center Project. The Company has been out of warehouse space for over a year and has asked the Durant Industrial Authority to construct a building with a build-to-suite lease program.

The Durant Industrial Authority will provide the funding with a CDBG Grant, which will be the smallest portion of funding. The HWH Group will provide the New Market Tax Credit funding, which will be the second largest part of funding. The Tile Shop will have the third largest part of funding for the warehouse. The Durant Industrial Authority will not have any funds in the facility, but the Durant Industrial Authority will own the building and lease it to The Tile Shop for 20 years. David Keese will handle the contract that will be needed for The Tile Shop project.

VII. Review the Durant Industrial Authority July 2015 Financial Report – Tommy Kramer

Tommy Kramer reviewed the July 2015 Financial Report for Durant Industrial Authority Fund 020. The Durant Industrial Authority Cash, Current Receivables, and Liability Summary was Cash Accounts \$1,346,615.16, and Current Receivables \$1,617,460.98.

The Total Cash and Receivables were \$2,964,076.14 as of July 2015. The Fund 020 total Current and Long Term Liabilities were Current Liabilities \$26,643.20 and Long Term Debt Liabilities were \$1,406,995.48. The total Current and Long Term Liabilities were \$1,433,638.68 as of July 2015.

The Total Revenues collected in Fund 020 for July 2015 was \$36,948.32. All expenses are normal. A withdrawal of \$500.00 was taken out of the ED Promotion Account. The Durant Industrial Authority put together a golf team consisting of the mayor and four businessmen from Durant to help support the Durant Stripper & Golf Southeast event. The expenses and Fund Reserves activity was \$55,494.21, leaving a negative fund balance of (\$18,545.89).

The Economic Development Fund 110 for Job Creation total assets as of July 31, 2015 was \$5,581,184.63. There were no liabilities this month, leaving the Total Liabilities in Fund 110 Balance of \$5,581,184.63.

The Income and Expense Statement Fund 110 for July 31, 2015 Total Revenue is \$90,628.86. There were no expenses for the month, leaving the Net Change in Fund 110 Balance \$90,628.86 as of July 2015.

VIII. Consider Approval of the Durant Industrial Authority Claims for the Month of August 2015 - Tommy Kramer

A copy of the August 2015 Durant Industrial Authority budget analysis was electronically mailed to each Durant Industrial Authority Board Member for their review prior to the September 8, 2015 regular scheduled meeting.

Items discussed were the following expense claims for Fund 020:

- Durant Area Chamber of Commerce – Copy Machine Rental - \$160.00
- Durant Area Chamber of Commerce – Office Rent - \$1,225.00
- AT&T Office Phone - \$10.07
- Crawford & Associates – Audit Fees - \$467.10
- JP Morgan Chase – Training & Travel Expenses - \$214.70
- JP Morgan Chase – Office Supplies - \$216.77
- JP Morgan Chase – Office Supplies - \$80.68
- Computer Services – Publications Website Services - \$75.00
- Fuelman - Fuel - \$123.12

- Bobby Brewer – Janitorial SE Cleaning for Durant Industrial Authority - \$30.00
- Five CDBG Loan Payments to Oklahoma Department of Commerce - \$7,020.66
- Cheryl Jackson – Land Acquisition Payment (principal and interest) - \$2,407.61
- John Jackson – Land Acquisition Payment (principal and interest) - \$2,407.60

A motion was made by, Janet Reed to approve the claims for the month of August 2015. Darrell Mendez seconded this motion.

The motion was carried by:

Aye: Mayor Hoffman, Greg Massey, Darrell Mendez, Nate Morrison, and Janet Reed.
Nay: None
Abstain: None

IX. Durant Industrial Authority New Business – Chairman Massey

Mayor Hoffman announced that the senior citizens center board has ask if the Durant Industrial Authority would have funds to help them purchase the old middle school facility. Rural Enterprises of Oklahoma zoning request was denied at the City Council meeting last month so, Rural Enterprises of Oklahoma is no longer interested in purchasing the old middle school. The building is for sale at a price of \$150,000. The Durant Industrial Authority will not be able to fund the purchase of the old middle school building per Chairman Massey.

X. Adjournment

Chairman Massey made a motion for the meeting to be adjourned at 8:34 am. Fran Mickle seconded the motion.