

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY REGULAR CALLED MEETING OF October 13, 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 7:00 a.m., declared a quorum present, and opened the meeting.

II. Opening Invocation – Darrell Mendez

III. Roll Call – Tommy Kramer

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

The following Durant Industrial Board Members were absent: Ron Bennett, Fran Mickle and Nate Morrison.

The following Support Staff member was present: Tommy Kramer.

The following guests were present at this month's meeting: Kyle McLemore, President of Durant Landmark Bank and Sarah Sherrer, Interim City Manager of Durant.

IV. Consider Approval of Minutes for the Regular Monthly Meeting on September 8, 2015 –Chairman Massey.

A motion was made by, Janet Reed to approve the September 8, 2015 minutes. Darrell Mendez seconded the motion. The motion carried:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez 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 Micro Steel Mill project, which included the following topics:

A. Approved Economic Development Administration \$1.5 Million Grant

The city received a letter of congratulations regarding the \$1.5 million Economic Development Administration grant for the US 70 Highway on/off ramps. The Southern Oklahoma Development Association is the grant administrator for the Economic Development Administration. The Oklahoma Department of Transportation has agreed to match the EDA grant with \$1.5 Million.

B. ALTA Survey Completed by David Page with Page Surveying

The Durant Industrial Authority paid part of the survey costs and the Commercial Metal Company paid for the Topographic survey.

C. Home Demolition Bids

The DIA has received two (2) bids for the demolition of the houses on the land purchased for the Commercial Metal Company project. The demolition will begin on October 17, 2015; with the exception of one home, being vacated on October 26, 2015. Approval of land purchase was received for the four (4) homes owned by David Keese, our DIA attorney.

D. Requests for property Annexation, Zoning and Tax Increment Financing Agreements will be approved at the October 13, 2015 Durant City Council Meeting

E. ODEQ Air Permit on October 15, 2015, the Second Public Meeting held in Durant.

Tommy Kramer met in Oklahoma City with Lloyd Kirk, who is the Director of External Affairs with the Department of Environmental Quality. Mr. Kirk gave his assurance that the Commercial Metal Company air permit is progressing as scheduled.

F. Demolition of the Four Vacated Homes

There will be three of the four homes vacated by October 15, 2015 and the fourth by October 26, 2015.

G. Land Purchase for the Commercial Metal Company Project

The land purchase of 400+ acres was completed in the month of October 2015.

H. Oklahoma Department of Transportation

Regarding the easement along the US 70 Highway Bypass, the Oklahoma Department of Transportation needs the Durant Industrial Authority to deed them 1.5 acres on the West side and the Bush Estate 2 acres along the East side of the US 70 Highway Bypass for the new on/off ramps at old East Main Street.

I. Tax Increment Financing Meetings

Two review committee meetings have been held and a third meeting will be held on November 2, 2015.

J. E-Mails from the Public about the Commercial Metals Company Project

Chairman Massey stressed the importance of "Team Durant". It was decided that Cheryl Vinall Denney, the attorney hired to assist with the Commercial Metals Company project, would answer emails from the public for the Durant Industrial Authority about the Tax Increment Financing Program.

K. Community Development Block Grant Application

Tommy Kramer explained that Becca Collins, with the City of Durant would be handling the application process to procure the Community Development Block Grant for the Commercial Metals Company. The grant funds will be used to install the new water and sewer pipelines.

L. Commercial Metals Company Ground Breaking Ceremony

The groundbreaking ceremony for Commercial Metals Company is projected for December 3, 2015 by Governor Fallen.

M. Land Lease

Bob Weinhoffer, the Vice President of Business Development will be meeting with Jimmy Bush for a land lease on the West side of the property.

Mr. Kramer concluded his report by calling for any questions regarding the CMC project. Chairman Massey asked for a Motion of Agreement. The motion made by Janet Reed and a second by Darrell Mendez. The motion was carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez and Janet Reed

Nay: None

Abstain: None

VI. Consider Granting Durant Industrial Authority Property for Country Club Road Right –of-Way and Utility Easement – Chairman Massey

Tommy Kramer presented to the Durant Industrial Authority Board members, a copy of the new roadway and utility easement, drafted by Durant City Attorney, Pat Phelps. The draft copy reflects adding five feet on the South side for the easement; there is currently a 33 foot easement, but the City requires 38 feet to widen and rebuild Country Club Road.

Chairman Massey asked for a Motion of Agreement. The motion was made by Janet Reed and a second by Darrell Mendez. The motion was carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez and Janet Reed

Nay: None

Abstain: None

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

Tommy Kramer reviewed the August 2015 Financial Report for Durant Industrial Authority Fund 020. The Durant Industrial Authority Cash, Current Receivables, and Liability Summary was Cash Assets Accounts \$1,347,100.48, and Current Receivables \$1,595,905.50.

The Total Cash and Receivables Assets were \$2,943,005.98 as of August 2015. The Fund 020 total Current and Long Term Liabilities were Current Liabilities \$24,565.63 and Long Term Debt Liabilities were \$1,387,798.74. The total Current and Long Term Liabilities were \$1,412,364.37 as of August 2015.

The Total Revenues collected in Fund 020 for August 2015 was \$38,860.06. All expenses are normal. The expenses and Fund Reserves activity was \$36,419.67, leaving a net change in the fund balance of \$2,440.39

The Economic Development Fund 110 Jobs Account for August 2015 total assets were \$2,426,980.70. The liabilities this month were \$490.00, leaving the Total Liabilities in Fund 110 Balance of \$2,426,980.70

The Income and Expense Statement Fund 110 Jobs Account for August 2015 Total Revenue is \$93,879.44. The expenses for the month of August 2015 were \$3,248,450.87 for Commercial Metals Company land purchases, leaving the Net Change in Fund 110 Balance (-\$3,154,571.43) as of August 2015.

Tommy Kramer presented the 12 Year Income and Expenses report for the Durant Industrial Authority Fund 110 (report attached).

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

A copy of the September 2015 Durant Industrial Authority budget analysis was electronically mailed to each Durant Industrial Authority Board Member for their review prior to the October 13, 2015 regular scheduled meeting.

Claims in September presented for approval were the following expenses 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 - \$9.46
- Conway Data: \$904.40
- Texoma Print Services-Business Cards: \$52.07
- AT&T Mobility – Cell Phone: \$80.23
- Crawford & Associates – Audit Fees - \$164.35
- JP Morgan Chase – ICSC Membership - \$100.00
- JP Morgan Chase – State Chamber Membership Renewal - \$395.00
- JP Morgan Chase – E.D. Promotion-Peanut Shoppe and Coffee: \$287.81
- JP Morgan Chase – E.D. Promotion – Travel: \$420.03
- Fuelman - Fuel - \$102.22
- P. L. Phelps – Consulting: \$17.50
- Five Star Office Supply: \$100.76
- Bobby Brewer – Janitorial SE Cleaning for Durant Industrial Authority Office - \$30.00
- A&M Engraving – E.D. Promotion-Two Gift Clocks: \$80.00
- McAfee & Taft – OKC TIF Initial Installment Retainer Fee 1612697: \$20,000.00
- McAfee & Taft – OKC TIF Initial Installment Retainer Fee 0000000: \$15,000.00
- Cheryl Jackson – Land Acquisition Payment (principal and interest) - \$2,407.61
- John Jackson – Land Acquisition Payment (principal and interest) - \$2,407.60
- Oklahoma Department of Commerce – Community Development Block Grants: \$7,020.66

Chairman Massey asked for a Consideration for Approval for the September 2015 Claims. A motion was made by Darrell Mendez and a second by Janet.

The motion was carried by:

Aye:	Mayor Hoffman, Chairman Massey, Darrell Mendez and Janet Reed.
Nay:	None
Abstain:	None

IX. Durant Industrial Authority New Business – Chairman Massey

Janet Reed shared how exciting it has been to receive questions and request from the Commercial Metal Company people regarding new homes in the \$250,000 range for their management team moving to Durant.

Having recently attended an Imagine Durant Meeting, Chairman Massey wanted Team Durant to consider the question, “What is our strategy?”. Chairman Massey stated “we are in a ‘different season’ now and an off-site location for a day or day and a half retreat would be good for Team Durant to develop a strategy, as well as answering the question, ‘What is new for Team Durant?’ as it pertains to Durant.”

Janet Reed announced the Chamber Banquet would be held on January 22, 2016 at the Choctaw Resort.

Mayor Hoffman stated he is having difficulty contacting the various Water Parks for information because it is the “off season” and they are closed for the winter months.

X. Adjournment

A motion for the meeting to be adjourned at 7:40 a.m. was made by Janet Reed and a second by Mayor Hoffman.