

TIF COMMITTEE
MINUTES OF THE REGULAR MEETING
November 19, 2015 AT 3:30 PM
Durant Industrial Authority Conference Room

I. Call to Order – Mayor Hoffman

Mayor Hoffman called the meeting to order at 3:33 pm, declared a quorum present, and opened the meeting.

I. Opening Invocation – Tommy Kramer

III. Roll Call – Laura Voorhies

The following TIF Review Committee members were present: Mayor Hoffman, Vernon Anderson, Ron Boyer, President Sean Burrage, James Dunegan, Kevin Keener, Kyle McLemore, Duane Merideth, and Lois Welch.

The following TIF Review Committee members were absent: Mendy Spohn.

The following support staff member was present: Tommy Kramer.

Cheryl Vinall Denney Attorney with McAfee & Taft.

Bob Weinhoffer Vice President of Diversified Businesses & Business Services with Commercial Metals Company.

The following guests were present and signed in at the meeting: Charles Calhoun, John Cathey, Joe Barrett, Dustin Roberts, Brianna Sherman, Nancy Conner, An Chen Lai and Mark Williams.

IV. Introduction of Committee Members and Guests– Mayor Hoffman

Mayor Hoffman asked TIF committee members and guests to introduce themselves.

V. Consider Approval of Minutes of the Durant TIF Review Committee November 2, 2015 Meeting – Mayor Hoffman

A motion made by Kyle McLemore to approve the Durant TIF Review Committee minutes for the November 2, 2015 meeting.

Vernon Anderson seconded the motion.

The motion carried by:

Aye: Mayor Hoffman, Vernon Anderson, Ron Boyer, President Sean Burrage, James Dunegan, Kevin Keener, Kyle McLemore, Duane Merideth, and Lois Welch.

Nay: None

Abstain: None

VI. Update on Town Hall Meeting – Tommy Kramer

Tommy Kramer stated the Town Hall Meeting will take place at the Donald W. Reynolds Community Center and Library at 6:00 pm tonight, November 19, 2015. Bob Weinhoffer, four of the CMC managers and Mark Williams will be in attendance. Mark was hired by CMC to look an incentives and prepared an analysis'. Cheryl Denney will answer any TIF questions and Mark will answer any impact questions. We hope that Secretary Deby Snodgrass will be able to attend with Leslie from the Department of Commerce. The Department of Commerce was a supporter of CMC.

VII. Review of TIF Projections and Bod Discussions - Cheryl Vinall Denney

Cheryl Vinall Denney advised that we began review numbers last meeting, if the TIF lived for 25 years with the maximum revenue. We had hoped that we would be able to drill down more on those numbers with the bond council and financial advisors to determine the interest rate, which come out of the TIF money. We are awaiting updated proposals for the Bond Counsel and Financial Advisory services.

This is unusual for the City to want to help with the TIF, local banks typically don't want to do them as they are a lot of work and there are risks. The TIF will not be complete until after the holidays.

Tommy Kramer advised that the Durant Industrial Authority rejected the first set of proposals due to high fees, so the board selected another group to bid the services and the original group also wanted to send a revised proposal to be considered. These proposals will be reviewed during the November 24, 2015 Durant Industrial Authority Special Meeting.

VIII. Discussion of Elements of Project Plan – Cheryl Vinall Denney

Cheryl Vinall Denney presented a PowerPoint presentation titled "TIF 201" . The presentation included the following:

- a. Statutory Elements of a TIF Project Plan Required Under Oklahoma Law
- b. Steps to Adopt a TIF
- c. What is a Project Plan?
- d. What Were We Asked To Do?
- e. Elements of a Project Plan
- f. Appendix – City Authorizing Resolution

Cheryl Denney further explained that the TIF Administrative costs will be an estimated amount because there is no set amount until something is generated, but the bond will be a set fee. The administrative fees will be for the life of the TIF and can include legal fees and trustee fess from the bank.

Tommy Kramer explained that there are approximately 400 acres and the last house was removed on November 14, 2015.

Vernon Anderson wanted to know what will happen with the excess land. Bob Weinhoffer stated that they may sub-lease the remaining acreage to Jimmy Bush for his cattle. The land the plant will be situated upon will be landscaped and maintained by the plant. They take a lot of pride in their plants and ensure it will be taken care of properly.

Charles Calhoun and Ron Boyer would like to know the timeframe of the TIF completion. Cheryl Denney explained that will depend on the Bond and Finance services, but are anticipating 2-3 weeks after the holidays.

Cheryl Denney advised that there will be more detail at the next TIF meeting as she will have numbers for review and they hope to have the bond and finance servicers in attendance. Mrs. Denney also stated that since the last meeting, she spoke with Nancy Conner and discussed how the value of the CMC project will value the property in the school district and we believe it will be about a 25% increase.

IX. Review of Economic Impact Study – Bob Weinhoffer and Mark Williams

Bob Weinhoffer advised that CMC prepared a study with Mark Williams, which will be reviewed at the Town Hall meeting.

Mark Williams stated that this is an exciting project and he is glad to be a part of it. He and his company do site locations all over the country and these types of projects have positive impacts on the communities. The study that will be reviewed at the Town Hall meeting shows that this project will increase the Durant community and recirculate on a local and state level.

The impact study used is an industry standard, we did the total impact for construction and the next 20 years and it shows the construction impact, the direct impact, indirect impact and induced effect.

Mark Williams has a background as an engineer, he also ran a state economic development office and he started his company 17 years ago to help find locations for companies and completing studies in order to locate the best place to succeed.

X. Schedule of Next Meeting – Mayor Hoffman

A motion made by Cheryl Denney to have the next meeting take place after the bond council and financial advisors are on board. A meeting can be set on a Monday within the next 2-3 weeks.

Mayor Hoffman seconds the motion.

The motion carried by:

Aye: Mayor Hoffman, Vernon Anderson, Ron Boyer, President Sean Burrage, James Dunegan, Kevin Keener, Kyle McLemore, Duane Merideth, and Lois Welch.

Nay: None

Abstain: None

XI. New Business – Mayor Hoffman

No new business on this date.

XII. Continuance of Meeting until Town Hall Meeting at 6:00 pm – Mayor Hoffman

Cheryl Denney suggested continuing the meeting at the Town Hall meeting tonight at 6:00 pm.

A motion was made by Duane Merideth.

Mayor Hoffman seconds the motion.

The motion carried by:

Aye: Mayor Hoffman, Vernon Anderson, Ron Boyer, President Sean Burrage, James Dunegan, Kevin Keener, Kyle McLemore, Duane Merideth, and Lois Welch.

Nay: None

Abstain: None

XIII. Reconvene at Town Hall Meeting/1515 W. Main Street, Durant, OK – Mayor Hoffman

Meeting reconvened at the Town Hall Meeting, 6:00 pm at 1515 West Main Street, Durant, OK

XIV. Final Adjournment

Meeting adjourned at approximately 8:00 pm, at the end of the Town Hall Meeting.