

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY MEETING DECEMBER 8, 2015 AT 7:00 A.M.

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 –Kyle McLemore

III. Roll Call – Cindy Price

The following Durant Industrial Authority members were present: Mayor Hoffman, Chairman Massey, Kyle McLemore, Darrell Mendez, Fran Mickle and Nate Morrison.

The following Durant Industrial Authority member was not present: Janet Reed.

The following Support Staff member was present: Tommy Kramer.

The following guests were present at this month's meeting: AnChen Lai-City Treasurer, Sarah Sherrer-City Manager, Dan Pennington-Durant Daily Democrat and David Keese the Durant Industrial Authority attorney.

IV. Consider Approval of the November 10, 2015 Minutes – Chairman Massey

A motion was made to approve by Mayor Stewart Hoffman. Kyle McLemore seconded the motion. The motion carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez, Kyle McLemore, Nate Morrison,
and Fran Mickle

Nay: None

Abstain: None

V. Present Update of the Commercial Metals Company Project – Tommy Kramer

Tommy Kramer explained that the project is moving very fast and OG&E will be returning the end of December 2015 with options regarding the major transmission power lines for the new Commercial Metals Company sub-station.

The Durant Industrial Authority and Commercial Metals Company are working with attorney David Keese in completing the Access and Lease Agreements for Commercial Metals Company.

Commercial Metals Company is progressing to begin the clearing of the land and re-routing the small creek in accordance with the U.S. Army Corp of Engineers 404 Mitigation Plan, that has been previously approved.

A third investor from Iowa for the New Market Tax Credits, will be visiting today, 12/8/15 to tour the Commercial Metals Company site and our city.

The four home demolition and site cleanup is complete at an approximate cost of \$21,000.

VI. Review the Durant Industrial Authority Financial Report-Month Ending October 31, 2015 – Tommy Kramer

Tommy Kramer advised that the Earth Bio Fuels portion of payment was deferred for the sixth year in a row by the Oklahoma Department of Commerce.

Tommy Kramer reviewed the October 2015 Financial Report for the Durant Industrial Authority:

- A. The Durant Industrial Authority-Fund 020 Cash, Current Receivables & Liability Summary was:
Cash Accounts \$1,314,976.25 + Current Receivables \$1,554,461.21 = Total: \$2,869,437.46
Current Liabilities \$28,092.74 + Long Term Debt \$1,376,361.52 = Total: \$1,404,454.26
- B. The Durant Industrial Authority-Fund 020 Income and Expense Statement showed:
Expenses & Fund Reserve \$40,443.28 – Total Revenues \$38,904.11 = Net Change in Fund Balance: (\$1,539.17)
- C. The Economic Development-Fund 110 Balance Sheet showed:
Total Assets: \$2,495,652.30 and Total Liabilities \$8,837.50
Total Liabilities & Fund Balance \$2,495,652.30
- D. The Economic Development-Fun 110 Income & Expense Statement revealed:
Total Revenue \$91,573.15 and Total Expenses \$8,837.50
Net Change in Fund Balance: \$82,736.65

A motion was made to approve by Fran Mickle. Darrell Mendez seconded the motion. The motion carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez and Kyle McLemore, Nate Morrison,
and Fran Mickle

Nay: None

Abstain: None

VII. Consider Approval of Durant Industrial Authority Claims-Month Ending November 30, 2015 – Tommy Kramer

Tommy Kramer reviewed the October 2015 Financial Report for the Durant Industrial Authority:

- Durant Area Chamber of Commerce – Copy Machine Rental - \$160.00
- Durant Area Chamber of Commerce – Monthly Office Rental - \$1,225.00
- Durant Area Chamber of Commerce – Annual Membership - \$185.00
- AT & T – Office Phone - \$9.99
- Conway Data – Site Selections Magazine - \$904.40
- Crawford & Associates – Audit Fees - \$356.74
- International Economic – Membership Fees - \$405.00
- Federal Express – Postage - \$74.72
- JP Morgan Chase – Office Supplies - \$381.26
- JP Morgan Chase – Vehicle Maintenance - \$41.18
- JP Morgan Chase – Training - \$347.61
- Computer Services – Website Hosting - \$225.00
- Computer Services – Website Changes - \$150.00
- Fuelman – Fuel - \$81.69
- Five Star Office Supply – Office Supplies - \$115.51
- Bobby Brewer – Office Cleaning - \$30.00
- Flashbay, Inc. – Flash Drives - \$267.50
- A & M Engraving – Kathy Hendricks EDC Retirement - \$40.00
- Oklahoma Department of Commerce – Grants - \$7,020.66

- Cheryl Jackson – Land Acquisition/Cardinal Glass - \$790.25
- Cheryl Jackson – Land Acquisition/Cardinal Glass Principal - \$1,617.36
- John Jackson – Land Acquisition/Cardinal Glass - \$790.25
- John Jackson – Land Acquisition/Cardinal Glass Principal - \$1,617.36
- The Painters, LLC – Stain/Paint Chair Rail/DIA Office - \$450.00

A motion was made to approve by Fran Mickle. Darrell Mendez seconded the motion. The motion carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mende, Kyle McLemore, Nate Morrison,
and Fran Mickle
Nay: None
Abstain: None

VIII. Consider Approval of Access Agreement and Lease Agreement of 40 Acres for Commercial Metals Company Project – David Keese

David Keese explained that the closing would be deferred until the TIF has been finalized.

The ground lease is for the Marcy property and Commercial Metals Company will cover all expenses for the Marcy tract during the interim period, until closing.

A motion was made to approve by Nate Morrison. Stewart Hoffman seconded the motion. The motion carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez and Kyle McLemore, Nate Morrison,
and Fran Mickle
Nay: None
Abstain: None

IX. New Business – Chairman Massey

Tommy Kramer advised that the sales tax report has not yet been received from the Oklahoma Tax Commission, but it will be sent electronically as soon as it has arrived.

Tommy Kramer has a meeting with Terry Buford and Bob Delveaux of BrucePac to discuss the permitting of the fire prevention from the State of Oklahoma in order to continue construction. They anticipate having their first production test run in late January or February 2016. The equipment is being set in place and the employees will be in a weeklong training program. Once everything is operational, there will be a tour for the Durant Industrial Authority and the Economic Development Council.

Tommy Kramer advised that the Hitchcock Refrigerated Plant Distribution Center project is moving forward and Plyler Construction out of Sherman, Texas will be the general contractor.

Tommy Kramer stated that Cardinal Glass will be adding 112,000 square feet of climate controlled warehousing in the distribution department at a cost of approximately \$5 million, as well as rebuilding the furnace over 81 days in late 2016 for an approximate cost of \$45 million. The Cardinal Glass 2016 Facility Investment will be over \$50 million.

There will be a Durant Industrial Authority and Economic Development Council luncheon at Roma’s on December 22, 2015 to discuss branding Team Durant.

X. Adjournment – Chairman Massey

A motion was made to adjourn by Stewart Hoffman. Fran Mickle seconded the motion. The motion carried by:

Aye: Mayor Hoffman, Chairman Massey, Darrell Mendez, Kyle McLemore, Nate Morrison,
and Fran Mickle

Nay: None

Abstain: None