



Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY MEETING
April 12, 2016 at 7:00 a.m.



I. Call to OrderChairman Massey
Chairman Massey called the meeting to order at 7:00 a.m., declared a quorum present, and opened the meeting.

II. Opening Invocation – Jeff Monroe

III. Roll Call.....Laura Voorhies
The following Durant Industrial Authority members were present: Chairman Greg Massey, Mayor Steward Hoffman, Darrell Mendez, Jeff Monroe and Janet Reed.

Durant Industrial Authority member not present: Kyle McLemore

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

The following guests were present at this month’s meeting: Dan Pennington, John Cathey, Earlene Walker, An-Chen Lai and Sarah Sherrer.

IV. Consider Approval of the March 11, 2016 Minutes.....Chairman Massey
A motion was made to approve by Janet Reed. Darrell Mendez seconds the motion. The motion carried by:

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

V. Consideration and Approval of the First Amendment to the Commercial Metals Company Real Estate Purchase AgreementChairman Massey
A motion was made to approve by Darrel Mendez. Jeff Monroe seconds the motion. The motion carried by:

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

VI. Consideration and Approval of the New Durant Industrial Authority Bylaws to Change Number of Trustees to Eight MembersGreg Massey

Mayor Stewart Hoffman advised that there needed to be representation from the Choctaw Nation of Oklahoma, Chief Batton or his designee and a designee from Durant Education, President of Southeastern Oklahoma State University or the Durant Public Schools Superintendent or one from the Durant Kiamichi Technology Center. We could rotate the education representatives each year, one person per year term.

Chairman Greg Massey stated that for voting purposes, we couldn’t have all 8 voting members. There could be 7 voting members and the Chairman doesn’t have to vote, I have seen it conducted both ways.

Janet Reed agrees that there needs to be a representative from the Choctaw Nation of Oklahoma on the Durant Industrial Authority board, but I have also had several people wanting to know why they can’t be on the board, such as the

presidents of the other Durant banks (Vision Bank and Shamrock Bank). If we move to add the other bank presidents, then how would we add them to the Durant Industrial Authority Board?

Chairman Greg Massey explained that he has been on the board since 1990 and the Durant Industrial Authority was making a lot of financial business decisions and we added representatives from the three banks that were in Durant at that time to ensure everything was completed properly. Balance and perspective is good and not sure if we should change that now or not. In the past we were trying to create jobs, but now we have created more jobs than people to fill the positions in Durant. We need to involve the schools administration so we know what type of people are moving to our city and what level of education is needed for our community workforce, it will create alignment. We must have an effective board, not sure if having eight members helps that but we can discuss it in more detail prior to the May meeting.

Mayor Stewart Hoffman advised that the two new members don't have to be given voting rights; they can be here for advisement and community support.

Darrell Mendez suggested that we table this issue until there is a chance for the Durant Industrial Authority and the City Council to discuss it together so there is complete understanding of what is best for everyone.

Chairman Greg Massey stated that there is no pressure to pass the Bylaws change at today's meeting.

Janet Reed motioned to table the Durant Industrial Authority Bylaws changes until the May 10, 2016 meeting to allow time for everyone to discuss and agree upon any changes. Jeff Monroe seconds the motion. The motion carried.

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

VII. Consideration and Approval of the Supplement to the Durant Industrial Authority Trust IndentureGreg Massey

Chairman Greg Massey states that this change will allow for one of the new members to live no more than 2 miles outside the Durant city limits. If someone is involved with the city but lives just outside the limits, I believe they should be able to participate in city business, such as to serve on the Durant Industrial Authority Board.

Jeff Monroe stated that he was 100% for this change, but also believes that this should be tabled as was the Bylaws until further discussion has occurred with the Durant City Council.

Sarah Sherrer advised that Jerry Tomlinson believe that some of the language was a bit vague and he didn't understand if the new members would have voting rights or not.

Janet Reed motioned to table the Supplement to the Durant Industrial Authority Trust Indenture changes until the May 10, 2016 meeting to allow time for everyone to discuss and agree upon this matter. Jeff Monroe seconds the motion. The motion carried.

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

VIII. Update on the Commercial Metals Company.....Tommy Kramer

Tommy Kramer stated that he researched the file on the Commercial Metals Company (CMC) and this project began in December of 2014. It has been a long process but well worth it for our community. The invitations went out last week for the April 29, 2016 CMC groundbreaking ceremony. We provided a list of people to Bob Weinhoffer and his staff for review and make the final decisions on who was invited to the CMC ceremony.

Cheryl Vinall Denney is waiting to close on the Tax Increment Financing Economic Development Plan and she sent an updated schedule, which I have passed out to all of you. The city water agreement must be finalized so that document may be placed in the Tax Increment Financing plan and then we will need to call a special meeting to approve the Tax Increment Financing Economic Development Plan. Once that is completed, we will be able to transfer the property to Commercial Metals Company at the end of April, per Bob Weinhoffer's request.

Commercial Metals Company is paying Finley Resources to relocate the natural gas pipeline and the Durant Industrial Authority will be donating the right-of-way easement. The ALTA survey update is completed and there were no issues at this point. There is a section line that runs through the property and the CMC attorneys are working on vacating that section line with three Bryan County Commissioners at the April 28, 2016 board meeting.

Sarah Sherrer stated that the Commercial Metals Company attorneys had questions about the water pressure and I sent them a water pressure range (PSI) and I sent that information to the Rural Water District #5 (RWD) for their board meeting. I have not yet heard back from CMC or RWD #5. I need to know if CMC has any more questions or if they need anything further. Sarah Sherrer will go back to RWD #5 board with the water agreement.

Tommy Kramer will notify Bob Weinhoffer that a response is needed in regards to the water.

XI. Review the Durant Industrial Authority Financial report for month ending February 29, 2016.....Greg Massey

Tommy Kramer reviewed the Financial Report as of February 29, 2016 for the Durant Industrial Authority:

- A. The Durant Industrial Authority-Fund 020 Cash, Current Receivables & Liability Summary was:
 Cash Accounts \$1,316,309.65 + Current Receivables \$1,466,572.62 = Total: \$2,782,882.27
 Current Liabilities \$29,976.22 + Long Term Debt \$1,332,685.25 = Total: \$1,362,661.47
- B. The Durant Industrial Authority-Fund 020 Income and Expense Statement showed:
 Total Revenues \$38,906.95. - Expenses & Fund Reserve \$41,858.94 = Net Change in Fund Balance: (\$2,951.99)
- C. The Economic Development-Fund 110 Balance Sheet showed:
 Total Assets: \$2,557,280.82 and Total Liabilities \$0.00
 Total Liabilities & Fund Balance \$2,557, 280.82
- D. The Economic Development-Fun 110 Income & Expense Statement revealed:
 Total Revenue \$88,945.90 and Total Expenses \$11,890.61
 Net Change in Fund Balance: \$77,055.29

VIII. Consider Approval of Durant Industrial Authority Claims Month Ending February 29, 2016Tommy Kramer

Tommy Kramer reviewed the February 2016 Financial Report for the Durant Industrial Authority:

◇ Durant Area Chamber – Copies and Office Rent.....	1,385.00
◇ AT&T – Mobility (Cingular) Cell Phone (February).....	52.53
◇ AT&T – Mobility (Cingular) Cell Phone (March).....	52.53
◇ AT&T – Office Phone.....	10.74
◇ Conway Data – Publication.....	980.00
◇ Crawford & Associates – Auditing Services.....	687.66
◇ JP Morgan – Office Supplies	16.00
◇ JP Morgan – Meetings/Food	168.51
◇ JP Morgan – Meetings/Food (ED Promotion Account).....	218.92
◇ Fuelman – Gas.....	73.97
◇ Durant Kiwanis Club Dues	120.00
◇ Bobby Brewer – Office Cleaning	30.00
◇ The Pin Center – Logo Key Chains (ED Promotion Account).....	310.00
◇ Oklahoma Department of Commerce – CDBG Loan Payments.....	7,020.66

◇ Cheryl Jackson – Cardinal Glass Land Principal/Interest.....	2,407.61
◇ John Jackson – Cardinal Glass Land Principal/Interest	2,407.60

A motion was made to approve by Janet Reed. Jeff Monroe seconds the motion. The motion carried by:

Aye: Chairman Greg Massey, Mayor Steward Hoffman, Jeff Monroe, Darrell Mendez and Janet Reed
 Nay: None
 Abstain: None

IX. New Business.....Chairman Massey

Darrell Mendez mentioned that the tour of the BrucePac meat processing facility was very interesting; it showed the efficiency of the company and appreciated the tour provided by Bob Delveaux.

X. Adjournment.....Chairman Massey

A motion was made to approve by Janet Reed. Darrell Mendez seconds the motion. The motion carried by:

Aye: Chairman Greg Massey, Mayor Steward Hoffman, Jeff Monroe, Darrell Mendez and Janet Reed
 Nay: None
 Abstain: None