

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY REGULAR SCHEDULED MEETING OF APRIL 8, 2014 AT 7:00 A.M. IN THE DURANT INDUSTRIAL AUTHORITY CONFERENCE ROOM.

I. Call to Order. – Chairman Tomlinson

Chairman Tomlinson called the meeting to order at 7:10 a.m., declared a quorum present and opened the meeting. Chairman Tomlinson recognized the following guests present for the Durant Industrial Authority Board Meeting: Jessica Breger – Staff Reporter for the Durant Daily Democrat.

II. Opening Invocation. – Greg Massey

III. Roll Call. – Cynthia Price

The following Authority members were present: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, Janet Reed, and Chairman Tomlinson.

The following Authority member was absent: Rick Hammel.

The following support staff members were present: James Dunegan, Tommy Kramer, and Cynthia Price.

The following support staff members were absent: None.

The following guests were present at this month's meeting: Jessica Breger – Staff Reporter for the Durant Daily Democrat.

IV. Consider Approval of Minutes of the Regular Monthly Meeting on March 11, 2014. – Chairman Tomlinson

A motion was made by Janet Reed to accept the minutes from the Regular Monthly Meeting on March 11, 2014. This motion was seconded by Nate Morrison. The motion was carried by:

Aye: Ron Bennett, Fran Mickle, Nate Morrison, Janet Reed, and Chairman Tomlinson.

Nay: None

Abstain: Greg Massey

V. Review the Durant Industrial Authority February 2014 Financial Report. – Tommy Kramer

Tommy Kramer reviewed the February 2014 Financial Report for Durant Industrial Authority Fund 020. The Durant Industrial Authority total cash and receivables, as of February 28, 2014 were \$3,882,417.64. The Fund 020 total current and long term liabilities are \$1,582,100.49 as of February 28, 2014.

Mr. Kramer stated the Durant Industrial Authority is continuing to receive lease revenue from Gorman-Phillips Construction Company in the amount of \$2,000 per month for storage of pipeline equipment on the 8 acre utility yard located in the West Industrial Park. The total revenues collected in Fund 020 for February 2014 were \$45,048.50. The total expenses and fund reserve activity was \$37,424.15. The net change in fund balance as of February 28, 2014 is \$7,624.35. The 2013-2014 fiscal year-to-date net change in fund balance as of February 28, 2014 is \$126,171.85.

Economic Development Fund 110 for Job Creation total assets as of February 28, 2014, was \$5,275,049.80 with no liabilities as of February 28, 2014. Fund 110 Account had a surplus deficit in the amount of \$690,977.30 for February 2014. The total liabilities and fund balance as of February 28, 2014, was \$5,275,049.80. The total revenue received for the month of February 2014 was \$90,185.63. There were no expenses for the month of February 2014. Therefore, the net change in fund balance as of February 28, 2014 was \$90,185.63.

VI. Consider Approval of Durant Industrial Authority Claims for the Month of March 2014. – Tommy Kramer

A copy of the March 2014 Durant Industrial Authority Budget Analysis was electronically mailed to each Durant Industrial Authority Board Member on April 2, 2014 for their review prior to the April 8, 2014 regular scheduled meeting of the Durant Industrial Authority.

Tommy Kramer informed the Durant Industrial Authority Board of the March 2014 claims for payment approval. The payroll claims for March 2014 were \$25,603.59. The submitted claim reports for Durant Industrial Authority Fund 020 for the month of March 2014 totaled \$19,294.09.

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;
- Southern Economic Development Council – Annual Membership Dues March 2014-March 2015) - \$225.00;
- Conway Data – Site Selection Magazine Advertising (March 2014) - \$904.40;
- Crawford & Associates – Audit Fees through 2/15/2014 - \$598.52;
- Crawford & Associates – Audit Fees through 3/15/2014 - \$145.98;
- JP Morgan Chase – Printer Cartridges, Picture Frames, Cell Phone Battery, Car Wash, Training and Travel - \$152.08;

- Arledge & Associates – Audit Fees (Audit of Financial Statements FY 6-30-2013) - \$3,373.76;
- P.L. Pat Phelps – Legal services - \$140.00;
- Five Star Office Supply – Office supplies - \$21.28;
- Durant Kiwanis Club – Membership Dues for Tommy Kramer - \$240.00;
- AT&T Phone Service (Office, Mobile, Long Distance) - \$81.32;
- Citizens for the Protection of the Arbuckle Simpson Aquifer (CPASA) – Annual Membership Dues (Bronze) - \$50.00;
- Rachel Cross – Office Cleaning for March 2014 - \$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;
- Fuelman – Fuel - \$110.88;

A motion was made by Fran Mickle to approve the claims from the month of March 2014. This motion was seconded by Ron Bennett. The motion was carried by:

Aye: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, Janet Reed, and Chairman Tomlinson.
 Nay: None
 Abstain: None

VII. Presentation of Site Selection Magazine Top 2013 Micropolitans. – Tommy Kramer

Tommy Kramer presented each board member with a copy of the March 2014 edition of Site Selection Magazine which included the 2013 Top Micropolitans by Number of Projects. Mr. Kramer stated Durant was ranked 41st out of 70 micropolitan areas across the United States for successfully landing three projects: PharmcareOK of Durant, The Tile Shop, and Overland Manufacturing and Materials. The only other micropolitan area in Oklahoma that qualified for this honor was Bartlesville which tied for 70th place with two projects.

VIII. Presentation of Durant Industrial Authority Annual Report for Fiscal Year 2013-2014. – Tommy Kramer

Tommy Kramer presented each board member with a copy of the Durant Industrial Authority Annual Report for Fiscal Year 2013-2014.

IX. Consideration of Durant Industrial Authority Constructing a Speculative Manufacturing Building. – Tommy Kramer

Tommy Kramer stated he has consulted with Terry Darrow, Marketing Director of Jones Lang LaSalle – Dallas Region, regarding the feasibility of constructing a speculative building as a marketing tool for the Durant Industrial Authority properties. The suggested building would be approximately 25,000 - 30,000 SF with the flexibility to either subdivide or expand with an office facility. The Speculative Building Project would require 7-9 months to

construct. Several questions were raised regarding the source of funding for this project, what the building costs would be, what the carrying costs would be, and defining the workforce we would be trying to attract. Greg Massey expressed his concern that there is an insufficient available workforce to initiate this type of project at this point in time. Mr. Massey asked Mr. Kramer to research career projections for Bryan County over the next 10-20 years. Chairman Tomlinson directed Tommy Kramer to review and research these items and present his findings to the Board for consideration at a future meeting.

X. Discussion of Durant Industrial Authority Site Improvements. – Tommy Kramer

Tommy Kramer reviewed the site improvements which have taken place during the past two years at the Durant Industrial Authority properties. Mr. Kramer stated he has consulted with Terry Darrow - Marketing Director of Jones Lang LaSalle - Dallas Region, and Daniel Guido – Railroad Engineer at Via Rail Logistics located in Fort Worth, Texas. According to Mr. Kramer, Mr. Darrow suggested additional site improvements for the 55 acre site in the West Industrial Park to improve its marketability: 1.) Clearing trees/brush; and 2.) Draining and filling in the two livestock ponds. Mr. Kramer stated it was Mr. Darrow's position that no further site improvements would be necessary at this time since there is no indication of what type of industry would be selecting one of the Durant Industrial Authority sites. One board member stated he would not support additional site improvements to Durant Industrial Authority properties at this point in time. Chairman Tomlinson directed Tommy Kramer to get updated bids for the suggested site work and present this information to the Board for consideration at a future meeting.

XI. Executive Session

A. Consider Executive Session for Purposes of Discussing Real Property Purchase (Executive Session Authorized by Title 25, Section 307 B(3) of the Oklahoma State Statutes) - Chairman Tomlinson

A motion was made by Fran Mickle and seconded by Nate Morrison to convene into Executive Session. Motion carried with the following vote:

Aye: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, Janet Reed, and Chairman Tomlinson.

Nay: None

Abstain: None

XII. Consideration Action Pursuant to Item XI (A) Above

A motion was made by Janet Reed and seconded by Fran Mickle to end Executive Session. Motion carried with the following vote:

Aye: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, Janet Reed, and Chairman Tomlinson.

Nay: None

Abstain: None

No action was taken.

XIII. Durant Industrial Authority Information Items:

There were no Durant Industrial Authority information items.

XIV. Durant Industrial Authority New Business

There was no Durant Industrial Authority new business.

XV. Adjournment.

Chairman Tomlinson called the Durant Industrial Authority meeting adjourned at 9:07 a.m.