

# Special Called Meeting

## Durant Industrial Authority

### **MINUTES OF THE DURANT INDUSTRIAL AUTHORITY SPECIAL CALLED MEETING OF MAY 20, 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 7:00 a.m., declared a quorum present and opened the meeting. Chairman Tomlinson recognized the following guests present for the Durant Industrial Authority Board Meeting: Robbie Ruminer – Vice President of Site Selection for Harrison, Walker & Harper/WeBuild; and Jessica Breger – Staff Reporter for the Durant Daily Democrat.

#### **II. Opening Invocation. – Ron Bennett in place of Janet Reed**

#### **III. Roll Call. – Cynthia Price**

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

The following Authority member was absent: Janet Reed.

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: Robbie Ruminer – Vice President of Site Selection for Harrison, Walker & Harper/WeBuild; and Jessica Breger – Staff Reporter for the Durant Daily Democrat.

#### **IV. Accept Resignation of Rick Hammel as Durant Industrial Authority Board Member. – Chairman Tomlinson**

A motion was made by Nate Morrison to accept the resignation letter of Board Member Rick Hammel. This motion was seconded by Ron Bennett. The motion was carried by:

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

**V. Discuss Creation of Durant Industrial Authority Retail Incentive Program. – Chairman Tomlinson**

Chairman Tomlinson stated the charge of the Durant Industrial Authority has been job creation through manufacturing and industrial development. Chairman Tomlinson stated several communities across the State of Oklahoma have experienced retail sales tax dollars being pulled away to larger metropolitan areas (Tulsa and Oklahoma City) and have implemented incentive programs such as a retail sales tax rebate program to create new retail store developments. Chairman Tomlinson proposed the Durant Industrial Authority Board consider how we can attract new retail merchants to Durant. Tommy Kramer discussed many retail development that has occurred during his tenure as Executive Director. Nate Morrison stated a retail incentive program must be fair to all existing merchants. Mr. Morrison stated the Durant Industrial Authority By-Laws would need to be re-visited prior to the development of a retail incentive program. Fran Mickle stressed the importance of growing the Durant downtown business district. Chairman Tomlinson stated the Durant Industrial Authority could possibly assist the City of Durant with infrastructure costs for retail development. Chairman Tomlinson proposed having a retail marketing consultant make a presentation to the Board at a future meeting. Greg Massey stated he would like to hear from local retailers in a public forum with a retail marketing consultant in attendance. Ron Bennett stated we need to have the expertise of a retail consultant. Chairman Tomlinson directed Tommy Kramer to solicit a retail consultant to give a marketing presentation before the Board at a future meeting. Additional discussion followed regarding also inviting a representative from a community that has seen proven success after implementation of a retail incentive program.

**VI. Consider Action to Provide Financial Assistance to the Durant Area Chamber of Commerce for Replacement of Commercial Air Conditioning Unit Servicing the Durant Industrial Authority Offices. – Chairman Tomlinson**

Chairman Tomlinson asked Chris Pierce to attend today's meeting as President of the Durant Area Chamber of Commerce. Mr. Pierce stated they have requested bids from local heating and air conditioning companies that are current members of the Durant Area Chamber of Commerce. The bids are for the replacement of the commercial heating and air conditioning unit which services the Durant Industrial Authority offices, the copy room and the ladies restroom. They have received three bids: Nor-Tex Air Conditioning, Electric & Refrigeration; Shelburne Heating & Air; and Turnbull Refrigeration, LLC. Mr. Pierce stated that two of the bids are similar in the amount of \$8,800 which includes removal of the old unit, installation of a new roof curb adaptor, installation of a new 5 ton unit, wireless thermostat, crane costs, labor, and a 5 year compressor warranty and 1 year parts and labor warranty. The warranty could be extended for an additional \$1,500 which would allow for a ten year warranty on the compressor and ten year warranty on parts and labor. Nate Morrison asked if the Durant Industrial Authority lease agreement addresses the matter of building maintenance. Mr. Pierce stated a portion of the Durant Industrial Authority monthly rent is applied towards a designated fund for building maintenance and repairs. Mr. Pierce stated he interprets that fund to be for general maintenance and repairs, however, the Durant Industrial Authority is a tenant and they will do what it takes to get the building back in running order but they may re-evaluate the lease agreement if it comes to that. Nate Morrison expressed his concern that the Durant Industrial Authority would invest the Durant

Industrial Authority funds for the replacement of the unit and then decide to relocate their offices in two years. Greg Massey stated it is typically the landlord's responsibility in an office building lease to replace the heating and air conditioning unit however he has seen it both ways. Greg Massey asked Mr. Pierce if the Chamber of Commerce has funds available to pay for the replacement of the unit. Mr. Pierce stated funds are available but fund could be better spent then purchasing the heating and air conditioning unit for the Durant Industrial Authority offices. Mr. Pierce stated the Chamber is not asking the Durant Industrial Authority to pay the full cost but is looking for financial consideration. Ron Bennett stated the Durant Industrial Authority and the Durant Area Chamber of Commerce work together and are partners.

A motion was made by Ron Bennett for the Durant Industrial Authority to pay the Durant Area Chamber of Commerce an amount not to exceed \$5,000 for the replacement of the commercial heating and air conditioning unit which services the Durant Industrial Authority offices. The funds would be non-city sales tax dollars. This motion was seconded by Fran Mickle. The motion was carried by:

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

## **VII. Executive Session**

### **A.) Consider Executive Session for Purpose 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 Greg Massey to convene into Executive Session. Motion carried with the following vote:

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

## **VIII. Consideration Action Pursuant to Item VII (A) Above**

A motion was made by Greg Massey and seconded by Ron Bennett to end Executive Session. Motion carried with the following vote:

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

No action was taken. Chairman Tomlinson appointed a committee of three Durant Industrial Authority Board Members to study and work with the Executive Director over the next several weeks. Those committee members will be: Ron Bennett, Greg Massey and Fran Mickle.

## **IX. Durant Industrial Authority Information Items:**

### **A.) Discuss Prospective Business Opening Location in Durant. – Tommy Kramer**

Mr. Kramer stated he has been asked to assist the chief executive officer of Atlantic Premium Brands in Chicago, owner of JCP Specialty Foods, in the selling of the Durant company. JCP Specialty Foods will cease operations on June 30, 2014. Mr. Kramer asked the Board's permission to work with four potential buyers to assist the Oklahoma Department of Commerce in getting the facility sold and save the 93 jobs for Durant. The building is not located in the city limits of Durant. The Board does not object to Mr. Kramer assisting in the coordination of federal, state and local incentives and acting as a community representative. Mr. Bennett stated Bryan County does not have anyone with Mr. Kramer's expertise to bring jobs into the community and he feels this is appropriate. Mr. Kramer stated that all four potential buyers are food protein manufacturing companies and none of the four companies would slaughter animals at this facility. Fran Mickle stated we do not need a dark building and workforce loss in our community.

**B.)** Chairman Tomlinson stated he has been in communications with Amy Ford, President of the Citizens for the Protection of the Arbuckle Simpson Aquifer (CPASA). Chairman Tomlinson stated there is rising opposition to Senate Bill 288 and the maximum annual yield (MAY) rules pertaining to the Arbuckle Simpson Aquifer. Chairman Tomlinson asked the Board if there were any objections to the Durant Industrial Authority issuing a letter of support for Senate Bill 288. No objections were made by the Durant Industrial Authority Board Members.

**C.)** Tommy Kramer stated the Panel Truss Company of Henderson, Texas is forming an LLC partnership with Texoma Truss Company in Durant and would like to open a new separate entity in a city owned industrial building. Mr. Kramer stated the city-owned building is in a general state of disrepair. Mr. Kramer stated the Board may be asked to assist the City of Durant to make the necessary improvements to the building and assist in the creation of 40-50 new jobs.

## **X. Adjournment.**

Chairman Tomlinson called the Durant Industrial Authority meeting adjourned at 8:30 a.m.