

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY SPECIAL CALLED MEETING OF SEPTEMBER 24, 2014 AT 12 NOON IN THE DURANT AREA CHAMBER OF COMMERCE CONFERENCE ROOM.

I. Call to Order – Chairman Tomlinson

Chairman Tomlinson called the meeting to order at 12:15 p.m., declared a quorum present and opened the meeting.

II. Opening Invocation – Jim Dunegan

III. Roll Call – Sandra Amos

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

The following Authority members were absent: None.

The following support staff members were present: Sandra Amos, James Dunegan and Tommy Kramer.

The following support staff members were absent: None.

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

IV. Consider Workforce Incentives for BrucePac Meat Company – Chairman Jerry Tomlinson

The DIA board discussed offering a 5 year forgivable loan to BrucePac Meat Company in the amount of \$1M. The Oregon-based company has been in business since 1949, is a 100% cooked meat processor with two plants that employ over 600 workers. The company's conservative investment in the purchasing of JCP Specialty Foods is estimated between \$6-12M within the first 5 years. BrucePac produces IQF (individually quick frozen) cooked beef, pork, salmon, chicken and turkey products. The DIA Council discussed the terms of the \$1M forgivable loan based on the following assumptions. BrucePac would expect staffing between 50-70 employees the first year, with expectations to add a second shift with over 100 employees. The BrucePac Company would offer a health insurance plan to all full

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time employees, a 401K retirement plan to all full time employees, a guarantee to be an employer at the Durant location for at least 7 years and payment of \$10.88 per hour to their hourly employees by the end of the 5 year period of operations. If these conditions were not met, the BrucePac company would return all or a portion of the forgivable loan based on a pre-determined schedule. After discussion, Greg Massey made the following recommendation:

The Durant Industrial Authority would make a forgivable loan to the BrucePac Meat Company that would be based on the number of jobs created, approximately 50 to 70 in Phase I. The loan would be between \$500,000-\$700,000 based on \$10,000 per job that this company would create. At the end of 5 years of employment at the same job level, the loan would be forgiven 33.3%, and at each year, thereafter, it would be forgiven at 33.3% per year through year 7.

The motion was seconded by Fran Mickle.

The motion was carried by:

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

V. Review DIA Projects and Business Development – Chairman Jerry Tomlinson

Due to time constraints, and with no objections, Item V. was dismissed.

VI. Adjournment

A motion was made by Fran Mickle and seconded by Nate Morrison to adjourn the meeting at 1:00p.m. Motion carried with the following vote:

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