

The City of Durant encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least 48 hours prior to the scheduled meeting is encouraged in order to make the necessary accommodations. The City of Durant may waive the 48-hour rule if interpreters for the deaf (signing) or translation services for limited English proficient (LEP) individuals are not the necessary accommodation.

DURANT INDUSTRIAL AUTHORITY

4:00 PM

**Roscoe J. Hatfield
Council Chambers,
300 West Evergreen,
Durant, Oklahoma**

January 2, 2024

AGENDA

CALL TO ORDER

INVOCATION/FLAG SALUTE

ROLL CALL

ORDER OF BUSINESS

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

- a. Consideration of approval of minutes for the December 5th meeting

2. Consider Items Removed from Consent

3. Information Items

- a. Interim Director's Report
- b. December Sales Tax Report
- c. December Financial Report

4. Administration

- a. Oath of Office for New Bank Rotating Trustee Kara Kuykendall
- b. Consideration of the election of Chairman of the Durant Industrial Authority

- c. Consideration of the election of Vice-chairman of the Durant Industrial Authority
- d. Consideration election of Treasurer of the Durant Industrial Authority
- e. Andy Dimock Texas Specialty Metals
- f. Consider review DIA Incentives for Businesses

5. Executive Session

- a. Considering Entering the Executive Session to discuss the Omnicare 365 Proposal Incentive (This executive session was authorized by Oklahoma Statutes, Title 25, Sections 307 C11)
- b. Consider entering the Executive session to consider discussing the matters pertaining to economic development, including the selling of property for Project Timber and Texas Specialty Metals. (This executive session was authorized by Oklahoma Statutes, Title 25, Section 307 C11)
- c. Consider entering the Executive Session to discuss appraisals of property for economic purposes. (This executive session was authorized by Title 25, Section 307 (B3))
- d. Consideration action pursuant to agenda items 5(a)
- e. Consideration action pursuant to agenda items 5(b)
- f. Consideration action pursuant to agenda items 5(c)

6. New Business

ADJOURNMENT

CERTIFICATE

This is to certify that, in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 30th day of October 2023 and that an agenda of said meeting was posted at the place of such meeting at 2:00 p.m. on the 29th day of December 2023.



Melody Mealor, City of Durant



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consideration of approval of minutes for the December 5th meeting

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Durant Industrial Authority Minutes 12052023

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 7th day of December, 2023 and that an agenda of said meeting was posted at the place of such meeting at 2:00 p.m. on the 1st day of December, 2023.

Melody Mealor

Melody Mealor, City of Durant

**MINUTES OF THE MEETING OF DURANT INDUSTRIAL AUTHORITY
December 5, 2023 AT 4:00 PM, Roscoe J. Hatfield
Council Chambers,
300 West Evergreen,
Durant, Oklahoma**

CALL TO ORDER

Chairman Hammock called the meeting to order at 4:00 PM

INVOCATION/FLAG SALUTE

Chairmen Jeff Hammock provided the invocation.

ROLL CALL

Present:

Trustee Mona Campbell

Trustee Mike Davis

Trustee Martin Tucker

Trustee Thomas Newsom

Vice Chairman Rogers

Chairman Jeff Hammock

Advisory Member Tammye Gwin

Advisory Member

Absent: Trustee Grace Rudolf

ORDER OF BUSINESS

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

a. Consideration of approval of minutes for the November 7th meeting

A motion was made by Michael Davis and seconded by Brett Rogers to approve the minutes of the November 7th meeting.

Motion Passed with the following vote:

Ayes: Campbell, Davis, Tucker, Rogers, Hammock, Newsom

Nays: None

Abstain: None

2. Consider Items Removed from Consent

3. Information Items

a. Financial Report for November 2023

b. Sales Tax Report for October 2023

c. Directors Report for November 2023

4. Administration

a. Consideration the appointment of a trustee to serve as the bank rotating trustee on the Durant Industrial Authority

A motion was made by Brett Rogers and seconded by Martin Tucker to approve Kara Kuykendall as the rotating bank trustee.

Motion Passed with the following vote:

Ayes: Campbell, Davis, Newsom, Tucker, Rogers, Hammock

Nays: None

Abstain: None

- b. Presentation by Matt Hunt, CEO of Omnicare 365, regarding incentive payment for employment expansion
- c. Consideration of additional applications for the Small Business Grant Program

A motion was made by Martin Tucker and seconded by Thomas Newsom to approve additional funds of \$10,000 to cover the last remaining 2 small business grant applications still in progress.

Motion Passed with the following vote:

Ayes: Campbell, Davis, Newsom, Tucker, Rogers, Hammock
Nays: None
Abstain: None

5. Executive Session

- a. Consider Entering the Executive Session to discuss Omnicare 365 Proposal Incentive (This executive session was authorized by Oklahoma Statutes, Title 25, Sections 307 C11)

Motion was made by Thomas Newsom and seconded by Martin Tucker to enter into the executive session.

Motion Passed with the following vote:

Ayes: Campbell, Davis, Newsom, Tucker, Rogers, Hammock
Nays: None
Abstain: None

- b. Consider entering the Executive session to consider discussing the matters pertaining to economic development, including the selling of property for Project Timber. (This executive session was authorized by Oklahoma Statutes, Title 25, Section 307 C11)
- c. Consider entering the Executive Session to discuss appraisals of property for economic purposes. (This executive session was authorized by Title 25, Section 307 (B3))
- d. Consideration action pursuant to agenda items 5(a)

Motion was made by Brett Rogers and seconded by Michael Davis to come back from the executive session with no action on items: D, E and F

Motion Passed with the following vote:

Ayes: Campbell, Davis, Newsom, Tucker, Rogers, Hammock

Nays: None

Abstain: None

e. Consideration action pursuant to agenda items 5(b)

f. Consideration action pursuant to agenda items 5(c)

6. New Business

ADJOURNMENT

A motion was made by Martin Tucker and seconded by Brett Rogers to adjourn the meeting at 5:15pm.

Motion Passed with the following vote:

Ayes: Campbell, Davis, Tucker, Rogers, Hammock, Newsom

Nays: None

Abstain: None



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Information Items

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: Paul Buntz, Interim Director of Economic Development
Re: Interim Director's Report

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Interim Economic Development Director Monthly Report for December 2023

To: Chairman and Trustees of the Durant Industrial Authority

From: Paul Buntz, Interim Director

Date: December 28, 2023

Re: December 2023 Monthly Report to DIA

Project Timber: The developer of the facility proposed for the 20 acre tract north of Overland Materials is currently evaluating whether or not to proceed due to concerns about the high-pressure gas line that crossed the site and how that could affect development.

Southwest Pickling Mitigation—visited on site with Robert Smith of United Manufacturing and Distribution who has the contract to mitigate the Southwest Pickling Site. The project should proceed very soon to test and drain the tanks, process sludge, and dismantle and remove the tanks from the site.

Planning for Acquisition of Additional Land for Industrial Sites—the sites identified have been sent for appraisal and will be discussed with the Trustees before offers are made. The appraisals should be received in January.

Texas Specialty Metals: Mr Andy Dimock have visited numerous times about his interest in acquiring the site adjacent to UPS on Country Club and will be making a presentation at the January 2 meeting.

Omnicare 365—Matt Hunt and review of Current Incentive Policies

Attended Open House of the Chahtapreneur Business Center in Durant

Meeting with Reed Aichholz and Potential Developer for Retail in Durant

Discussions with OG&E Economic Development about potential joint development of industrial sites

Texoma Semiconductor Innovation Consortium

Meeting with Site Locator for Clean Energy Project-

Attendance at January City Council Meeting



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: An chen Lai, Finance Director/Treasurer
Re: December Sales Tax Report

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. December 2023 Sales Tax Breakdown
2. December 2023 Sales Tax 10-Y Spreadsheet

City of Durant, Oklahoma
4.375% Sales Tax Revenue Breakdown

Current Month Sales Tax Revenue Detail	
1% Capital Improvements - for Debt Services/Payment	\$415,784.72
2% General Operations-For General Operation	\$831,569.43
1/4% Economic Development- Fund 110 for Industry Improvr	\$103,946.18
1/4% Multi-Sports Facilities -For DMSC	\$103,946.18
1/4% SOSU Improvements-For SOSU Football Field & Arena	\$103,946.18
5/8% DISD Improvements - for High School	\$259,865.45
Total Sales Tax Rev.Dec. 2023@ 4-3/8%	\$1,819,058.14

\$571,703.99

City of Durant, Oklahoma Ten-Year History Report - 1% Sales Tax Revenue

	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	% Change	Single Month Period
July	\$274,992	\$285,723	\$282,117	\$313,058	\$329,525	331,058	376,455	411,465	429,866	428,333	-0.36%	June / July
August	\$192,988	\$301,211	\$314,889	\$329,217	\$323,680	343,378	371,268	405,522	436,588	445,870	2.13%	July / Aug.
September	\$387,003	\$310,412	\$292,744	\$298,291	\$309,656	340,005	375,103	396,622	406,801	426,408	4.82%	Aug. / Sept.
October	\$277,693	\$292,477	\$295,814	\$313,960	\$305,445	329,146	359,331	394,840	423,692	440,473	3.96%	Sept. / Oct.
November	\$279,266	\$263,753	\$305,225	\$317,104	\$292,323	322,363	360,649	383,784	417,467	415,755	-0.41%	Oct. / Nov.
December	\$273,374	\$280,961	\$282,558	\$287,917	\$302,025	336,928	342,145	389,101	411,863	415,785	0.95%	Nov. / Dec.
January	\$287,156	\$303,941	\$316,625	\$319,265	\$319,947	331,582	348,969	399,365	411,980			Dec. / Jan.
February	\$293,872	\$282,081	\$304,006	\$314,369	\$300,025	340,113	351,684	430,326	422,394			Jan. / Feb.
March	\$265,962	\$255,710	\$278,891	\$281,267	\$275,318	295,098	347,403	350,947	381,905			Feb. / March
April	\$271,232	\$290,669	\$305,276	\$313,062	\$299,350	328,110	333,643	403,097	406,036			March / Aprl.
May	\$290,750	\$286,450	\$317,742	\$325,558	\$332,701	331,431	439,672	411,741	446,047			Aprl. / May
June	\$283,656	\$277,462	\$298,475	\$286,097	\$318,281	\$332,952	\$428,168	\$403,495	\$413,350			May / June
Total	\$3,377,943	\$3,430,849	\$3,594,364	\$3,699,166	\$3,708,275	\$3,962,165	\$4,434,490	\$4,780,305	\$5,007,988	\$2,572,622		8,868,979.72
FY Monthly Average	\$281,495	\$285,904	\$299,530	\$308,264	\$309,023	\$330,180	\$369,541	\$398,359	\$417,332	\$428,770		
% change from prior yr.	4.53%	1.57%	4.77%	2.92%	0.25%	6.85%	11.92%	7.80%	4.76%	2.62%		
\$ change from prior yr.	\$146,449	\$52,906	\$163,515	\$104,802	\$9,109	\$253,889	391,781	345,815	227,683	129,084		

Current Month Sales Tax Revenue Detail			
1/4% Economic Development (effective)	\$103,946.18		
1/4% Multi-Sports Facilities (effective)	\$103,946.18		
1/4% SOSU Improvements (effective)	\$103,946.18		
1% Capital Improvements (effective)	\$415,784.72		
2% General Operations	\$831,569.43	Use Tax	
5/8% DISD Improvements (effective)	\$259,865.45	\$41,469.21	\$301,334.66
Total Sales Tax Rev. Dec. 2023 @	\$1,819,058.14		
* Per Ordinance #1589, Durant City Sales Tax Rate Increased from 3.75% to 4-3/8% (4.375%)			

1% Sales Tax - Current Annual Growth		
Previous 12 - Month Period	Current 12 - Month Period	% Change
\$4,925,249	\$5,054,333	2.62%



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: An chen Lai, Finance Director/Treasurer
Re: December Financial Report

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

1. Financial Report for December 2023

To: Chairman and Trustees of the DIA

From: Paul Buntz, Interim Director

Re: Monthly Financial Report for December 2023

Date: December 28, 2023

An-chen Lai, City Treasurer, advised me today that a new Accounts Receivable system that still has unsolved issues. That, combined with employees taking year-end time off and the early monthly date for our January meeting, the monthly financial report will not be ready on January 2, but should be available later in the week and will be sent out to the trustees as soon as it is available.



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Administration

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Oath of Office for New Bank Rotating Trustee Kara Kuykendall

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consideration of the election of Chairman of the Durant Industrial Authority

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consideration of the election of Vice-chairman of the Durant Industrial Authority

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consideration election of Treasurer of the Durant Industrial Authority.

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

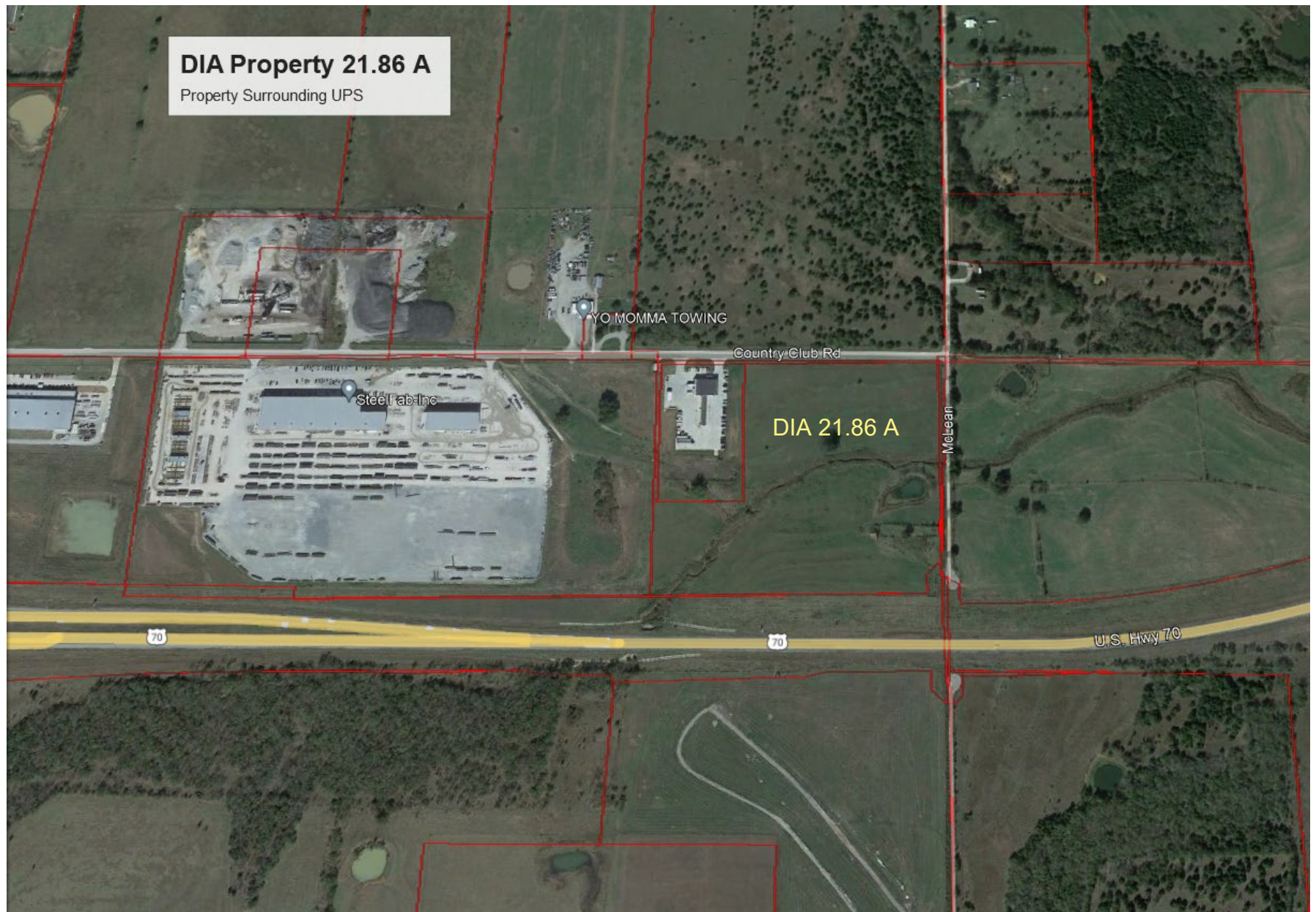
ATTACHMENTS:

To: Chairman and Trustees of the Durant Industrial Authority

From: Paul Buntz, Interim Director

Re: Presentation of Andy Dimock of Texas Specialty Metals

Andy Dimock of Texas Specialty Metals is currently operating in Mead in the industrial park and is interested in purchasing the 21.86 acre site on Country Club Road adjacent to the UPS Distribution Center. An aerial map showing the site is attached. I also have attached a letter from Mr. Dimock describing his interest and plans for the site. Mr. Dimock will be present at the meeting Tuesday to give a brief presentation and answer any questions you may have.



12/04/2023

Mr. Paul Buntz

Economic Development Director

City of Durant, Oklahoma

Good day Paul,

I am writing this letter at your request to elaborate on my plans for developing the North and South properties on Country Club Drive that we discussed.

My intention for developing the South property adjacent to Country Club Drive is as a location to be used as a metal service center focused on distribution, fabrication, and machining. Please refer to the attached capabilities statement for more details. We have outgrown our facility in Mead and are looking at constructing several buildings for warehouses and offices. We currently employ 4 people and forecast an immediate need of 5 employees and 10-15 within two years. To start, the positions will include 2 laborers, 4 skilled and 2 engineers and 2 managers earning relevant wages. The drawing I submitted displays my maturity concept with 6 buildings of about 20,000sft each. Two of these buildings will be high quality and climate controlled used for machining and fabrication of parts for the DOD including submarine, aircraft and space components. These are very specialized parts in nature and require highly skilled people to make them. Within a few years, I imagine we will employ 10-15 skilled machinists and engineers. Regarding the south side adjacent to the 70 bypass, we are planning a well-constructed 2-4 story office building with space for 50 to 200 employees. The executive offices will include space for R&D, materials analysis and testing, logistics management, cyber security and network management for CMMC and NIST 800.171 proliferation with classroom space for the specific training that is required.

My intention is to develop the North property as an industrial warehouse to be used as a 3PL facility that should mature to employ up to 50 people in a organizational spectrum from labor to upper management. I have been looking at several warehousing opportunities with Texas Instruments and the DOD regarding the storage, maintenance and just-in-time delivery of parts that will ship around the country on an as needed basis. I would like to discuss ramp access at the airport to facilitate the immediate needs of aircraft parts to the customers with immediate needs.

Thank you for the opportunity to build in Durant. Texas Specialty Metals has received a significant influx of DOD contracts. We see the potential for great growth in this area servicing the DOD and its prime contractors niche and are excited to make Durant our home.

Thank you for the opportunity,

Andy Dimock

GM/VP

Texas Specialty Metals, Inc.

65 Business Parkway, Mead, OK 73449

972-347-5557

Andy@TXspec.com

To: Chairman and Trustees of the Durant Industrial Authority

From: Paul Buntz, Interim Director

Re: Consideration Review of DIA Incentives to Industry

Last month we discussed a request for financial incentives from a local company and since then I have been reviewing our policies and researching what other economic organizations in Oklahoma are doing. I also have been spending time reviewing what the Oklahoma Department of Commerce offers in state incentives to industry.

Based on my initial review, I am recommending that the DIA consider a reevaluation of our policies for incentives. I believe there are two major categories of incentives: 1) to pay for industrial sites and infrastructure, that is water and sewer lines, streets, rail spurs, etc. necessary for the operation of the industry and/or provide an industrial site that is subsidized, and 2) incentives paid based on job creation to entice an industry to hire employees. Of these 2 categories, the infrastructure investment must be made at the outset to get the project off the ground. However, this is not necessarily the case for job incentives, and providing the funds entirely up-front, especially to a new company just getting established, may not be the best approach. Nearly all of the state incentives, the Quality Jobs Program, and a host of tax-related credits, are made after the industry has performed by either making the investment or creating jobs.

I believe it would be worthwhile going forward to structure incentives for job creation in a pattern similar to the Oklahoma Quality Jobs Program which pays out incentives annually for 7-10 years and only after the jobs have been created and wages paid.

With a new director assuming office in the near future, I believe it would be a good time to reassess how the incentives of the DIA are administered and marketed, research the industrial incentives of the state and other local economic development organizations, determine what our targeted industries are, and what incentives would be the best fit for the DIA going forward.



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: Paul Buntz, Interim Director of Economic Development
Re: Considering Entering the Executive Session to discuss the Omnicare 365 Proposal Incentive
(This executive session was authorized by Oklahoma Statutes, Title 25, Sections 307 C11)

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consider entering the Executive Session to discuss appraisals of property for economic purposes. (This executive session was authorized by Title 25, Section 307 (B3))

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From:
Re: Consideration action pursuant to agenda items 5(a)

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: Paul Buntz, Interim Director of Economic Development
Re: Consideration action pursuant to agenda items 5(b)

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:



The City of Durant

Memorandum

Date: 1/2/2024
To: Mayor and City Council
From: Paul Buntz, Interim Director of Economic Development
Re: Consideration action pursuant to agenda items 5(c)

Council Information / Action Requested

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS: