

Blackwell Industrial Authority

Minutes of Board Meeting

Wednesday, January 18th, 2017

Present: Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis

Absent: Ross Cline

Others Present: John Robertson, Jim Menzer, Deanna Gilliland, Claude Williams, Chip Ouither

Topic	Discussion	Recommendation/Action
Call to Order	Chairman Darrel Grossardt called the meeting to order at 8:00 a.m.	No action necessary.
Review of Minutes	Minutes for the December 21st, 2016 meeting were reviewed.	Mike Jeffers moved to approve Mike Loftis seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
Review of Financials	Financial for December 2016	Mike Jeffers moved to approve. Mike Loftis seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
Chairman's Report	Darrel I don't really have anything so I'll pass it over to the Director for his report	No action necessary.
Directors Report	Annual Audit - the city comes in and does an annual audit of our financials and everything was fine we received a document and asked if there were any changes since we finished our Audit and of course that was no so I signed it and sent it in and Jim also received a similar document.	No action necessary
	Confidentiality Document - we received a confidentiality form on the big project we are working on we changed it a little to include the Blackwell Economic Development Authority as an organization sent him our draft and this morning we received his draft. We will deal with that later this morning	No action necessary
	HMT building - It is going up and I sent some pictures out last week and it looks they got all of the main structure up and will be hanging metal this week so that is moving forward. I had lunch with Tommy Monday to go over everything. Tommy had built metal building for a living before so he knows what to look for. There were a couple of places in the foundation that he was having them fix. We wrote a check to Hembree & Hodgeson for \$256,000.00. We have already paid for the	No action necessary

	<p>cranes so we will owe Hembree about \$111,000.00. We extended the construction insurance they thought they would be done by the end of this month and that isn't going to happen so the extension is through March 15th and no additional Premium. The Flood Insurance we asked Greg with Smith & Oakes to get the ball rolling on trying to get rid of that flood insurance. They have a study that plainly shows it's out of the flood zone. Greg told me that he received data from David Williams Corp of Engineers for the flood study that they did in the Industrial Park will not submit the FEMA to get the ball rolling. Should be okay since they are a certified surveyor. Darrel stated that once the FEMA information comes back we should be able to cancel the flood insurance that was required to close. John replied yes because that is eating up our profit which is about \$10,000 a year. I have a copy of the map from June 2008 that shows we are out of the zone. Darrel stated that public has been asking some questions since the building is going up.</p>	
	<p>A&A Tank-they own the 15 acres behind the Electron building that BIA sold them around 2012. A project came in last week looking for 25 acres so I did the RFP on the 13th street property which will do everything that they were requesting. I called A&A tank around the first of the year and he just got back with me. I asked if they would consider selling that 15 acres if needed for the future and his reply was yes. They would not look to make a lot of money just sale it for what we have in it. We sold it to them for just under \$100,000.00. So that's good to know since they never wanted to sale it in the past. Darrel asked if this property was on South across Dewey Street? John replied yes we own 2 strips and they own the one in the middle.</p>	<p>No action necessary</p>
	<p>Legislative Session-on the 15th Darrel will be going it's from 5:30 to 7:30 Reception is put on by the State Chamber Department there will be a lot of legislatures there.</p>	<p>No action necessary</p>
	<p>Leases-The auditors asked for all of the leases that we have and we couldn't find the SPS and Otto Seed. We found revisions but not originals so we have had a new one drafted on SPS & will have a new one drafted on Otto Seed also.</p>	<p>No action necessary</p>

BNGR Lease	<p>BNGR Lease-Darrel stated that this is the same lease we have had in place for 10 years and they have agreed to pay us 6% of their gross for the use of the line and the state gets the same amount. The last couple of years we have voted to return that back to them for track maintenance on our portion of the track with their invoices showing what has been worked on. Jim replied it has a 6 month out for both sides. John stated that he just had lunch with Scott Nauer and he said the State called him up to see how volume could be increased. I confirmed with him that when our line and Stillwater line was for sale we didn't get 1 offer and Stillwater rec'd 1 but it wasn't for the amount so it didn't sale. Darrel asked John when the State was trying to sell our part of the Rail have they passed some type of law that requires them to recoup all money they have invested. John stated when that was all coming up some smart guy put in the contract that BIA has the option to buy that rail at scrap value and when we brought that up they said that their price was scrap value and we voided that because we didn't take advantage of that 1.3M. Darrel said that they have shut down all repairs and the bridge that burnt was repaired but that's all they are going to do</p>	Mike Jeffers moved to approve renewing the lease. Mark Cordell seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
SPS Lease	<p>SPS Lease-Audit produced that we didn't have a copy of the SPS Lease so this is the same terms that we have now 3 year's same rate they have been paying and SPS has already signed it. Mike Jeffers asked why do we need to vote if it's already in existence we just couldn't find it? Jim replied it is a brand new lease.</p>	Mike Loftis moved to approve. Mike Jeffers seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
Executive Session	Convene to Executive Session 8:22 a.m.	Mark Cordell moved to approve. Mike Loftis seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
Regular Session	Reconvene to Regular Session 9:09 a.m.	Mike Loftis moved to approve. Mike Jeffers seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis
Other New Business:		No action necessary
Next Meeting/Adjournment	Next meeting: February 15 th , 2017 at 8 a.m.	Mark Cordell moved to approve. Mike Jeffers seconds. Approved by Darrel Grossardt, Mike Jeffers, Mark Cordell, Mike Loftis adjourn at

Respectfully submitted by: Deanna L Gilliland January 24th, 2017.

Darrel Grossardt-Chairman

Mike Loftis-Secretary