

NOTICE OF SPECIAL MEETING

BOARD OF COUNTY COMMISSIONER'S FOR ROGERS COUNTY, OKLAHOMA

PLACE: Rogers County Courthouse, 219 South Missouri, Room 1-109,
Claremore,
Oklahoma

DATE & TIME: Wednesday, March 3, 2010, at 3:00 o'clock P.M.

MINUTES

Guests present: Gene Haynes, District Attorney; Barry Farbro, Assistant District Attorney; Tom Hilborne, bond counsel; Greg Nieto, The Baker Group, Financial Adviser; Larry Steidley, attorney for RCIDA; Don Cochran, RCIDA Executive Director; Debi Ward, Executive Assistant; Jane Summerlin, Treasurer; Bill Flanagan, C.P.A.; Trustees, B. J. Kincaid; Rick Brown; Daryl Park; and Jerry Eason; County Clerk 1st Deputy, Marilyn Gibson.

ITEM 1: CALL TO ORDER:
Chairman Thacker called the meeting to order at 3:00 P.M.

ITEM 2: ROLL CALL TO ESTABLISH QUORUM:
Determine that Notice of Meeting and Agenda were properly posted in accordance with the Oklahoma Open Meeting Act.
Chairman Kirt Thacker, Commissioner Dan DeLozier and Commissioner Mike Helm were present and quorum established.

ITEM 3: Discussion and possible action regarding the Addendum to Agreement for Economic Development Services approved and proposed by the Board of Trustees for the Rogers County Industrial Development Authority (RCIDA) on February 25, 2010, whereby RCIDA will release the County's contractual obligation to pay RCIDA the net proceeds of the county use tax collections for the balance of the Agreement through the current fiscal year, and whereby the County will make a monthly appropriation to RCIDA based on a revised Budget request for the months of March, April, May and June, 2010 -
Assistant District Attorney, Barry Farbro, stated that he and Commissioner Kirt Thacker attended a special meeting of the Board of Trustees for RCIDA on Thursday, February 25, 2010, at 2:00 o'clock P.M. at the RCIDA offices, during which one of the agenda items was the approval of a proposed amendment to the RCIDA Agreement for Economic Development Services with the county in order to release the county use tax proceeds for possible use in connection with the new county courthouse and E911 facility project. (see Memorandum from Barry A. Farbro, Assistant District Attorney, dated March 1, 2010, attached)

Farbro commented that the original addendum presented to the RCIDA meeting reflected that RCIDA shall receive an amount equal to the use tax collections for the month of January, 2010, as per the original agreement, and that provision was amended during the meeting to the month of February, 2010. The Board of County Commissioners is aware that use tax collections received by Rogers County for the month of January, 2010, are \$249,402.03, which are payable to RCIDA under the agreement on or before February 23, 2010; however, that payment has not been received by RCIDA yet. Farbro stated that he erroneously presumed that RCIDA had already received those funds, because the contract says the use tax proceeds shall be paid on or before February 23, 2010.

Farbro recommended that the addendum be revised to reflect that RCIDA shall receive an amount equal to the County use tax collections for the month of January, 2010, in the amount of \$249,402.03, as per the original agreement. Farbro also commented that at page 2, subparagraph 5.b. was also changed from five monthly payments to four, and the revised budget amount of \$232,874.00 was inserted. If paragraph 5.a. on page one is changed to read January, 2010, then there would only need to be four appropriations made for March, April, May & June, if the Board chooses to do that. Subparagraph 5.b. on the second page should provide for four monthly payments rather than five payments. The county is always a month behind in the payment of use tax collections, because January funds are not received by the county until February and under the contract are to be paid on or before the 23rd of the month in which they are received by the county.

Larry Steidley, attorney for RCIDA, stated they were trying to get the timing of the funds down and are aware \$249,402.03 is the January amount and don't expect any more funds, unless by appropriations.

Bill Flanagan, accountant for RCIDA, spoke about the revised budget for RCIDA (***see "Financing of the Courthouse and E911 Facilities, and Requested Addendum to Economic Development Agreement" dated February 25, 2010, to the Board of County Commissioners from Don Cochran, RCIDA Executive Director, for complete information***) The \$249,402.03 is February's use tax of which \$156,289.71 is the Latshaw Drilling contingent payment leaving \$93,112.32 what would normally be the use tax for February. The other thing is that is not in the original budget was for capital expenditures, there are some projects going that require some front-end capital and there is no funds in this budget for that other than the assets retained. And the assets retained, there is \$300,000.00 worth of payments received, which is another factor that comes into play in the cash balances.

Chairman Thacker asked for clarification of auto expenses, salaries, medical, contract labor, attorney fees and attorney courthouse fees and Cochran explained those in detail.

Cochran continued that RCIDA wants to keep \$1 million in the bank, because economic development is very complex and expensive in helping companies coming in to Rogers County and right now they are working in a proposal. It is hard to give exact figure as to what is needed exactly, we are to create job and retain jobs.

Chairman Thacker inquired as to what many jobs has RCIDA brought to Rogers County and Cochran presented to the Board a report titled "History of the Rogers County Industrial Development Authority and its Historical Economic Impact on Rogers County".

Chairman Thacker stated he didn't see any numbers in the report and Cochran replied, you can't keep track of the numbers because of hiring and firing. There was also discussion on companies that RCIDA had helped bring to Rogers County. Cochran continued that \$201,442.00 for March, April, May & June is what we are asking for. And we will submit a new contract for the new fiscal year starting in July. The unknown is, the county will still be receiving the use tax for March, April, May & June and it is unknown how much that could be.

Farbro suggested to the Board of County Commissioner's that the proposed addendum be amended at the bottom of page 1, paragraph 5.a. to read that RCIDA shall receive an amount equal to the county use tax collections for the month of January, 2010, in the amount of \$249,402.03, as per the original agreement; and paragraph 5.b. shall provide that for the remainder of the current fiscal year ending June 30, 2010, RCIDA shall not receive any scheduled monthly appropriations from the county, and RCIDA may submit proposals and make requests to the county for additional funding for projects as necessary, subject to review, discussion, and possible approval by the county on a case by case basis. Paragraph 5.c. should be stricken in its entirety. RCIDA attorney Larry Steidley proposed that paragraph 6.c. of the original agreement be amended to provide that no money funded under the contract shall ever be used for any purposes other than economic development and for the payment of necessary and reasonable costs and expenses associated with the issuance and retirement of sales tax revenue bonds by RCIDA for financing the new Rogers County Courthouse and E911 Facility Project.

Chairman Thacker made a motion to approve an amendment to the proposed Addendum based on the provisions suggested by Assistant District Attorney, Barry Farbro, with Commissioner DeLozier seconding the motion. Roll Call: Thacker-aye, DeLozier-aye, Helm-aye. Motion carried.

Farbro recommended the Board of County Commissioners submit the proposed amendments to the Addendum and negotiate with RCIDA, if necessary, while the RCIDA Trustees are here today, and request that they approve the revised addendum. RCIDA attorney Larry Steidley expressed concerns over voting today to approve the addendum without the full board being present, but Chairman Thacker and Farbro pointed out there is a quorum of RCIDA Trustees present at the meeting. Don Cochran recommended to the RCIDA Trustees that they consider the county's proposal and vote on the item today so as not to delay the issuance of the bonds.

Rick Brown, RCIDA trustee, expressed why couldn't RCIDA vote to give the county the money instead of going through the Board of County Commissioners. There was a meeting four or five months ago and we agreed to \$200,000.00 and the county could match \$200,000.00 with all being pledged towards the bonds. This could have been very simple. RCIDA cannot survive on \$350,000.00 a year if the county takes the rest. The whole thing has been blown out of proportion and could have been handled differently.

RCIDA conducted a special meeting that was called to order at approximately 3:15 PM o'clock, which ran concurrently with the Board of County Commissioner's special meeting. The RCIDA Trustees who were present unanimously voted to accept the amendments to the Addendum as approved by the Board of County Commissioners.

ITEM 4: RECESS OR ADJOURNMENT:

Chairman Thacker made a motion to adjourn the meeting with Commissioner Helm seconding the motion. Roll Call: Thacker-aye, DeLozier-aye, Helm-aye. Motion carried and the meeting adjourned at 4:36 P.M.

BOARD OF COUNTY COMMISSIONERS
ROGERS COUNTY, OKLAHOMA

By: _____
Peggy Armstrong, Rogers County Clerk

(SEAL)

Notice of said meeting was filed in the Office of the County Clerk on Monday, March 1, 2010, at 11:29 A.M. and posted on the Courthouse Bulletin Board; Outside the Commissioner's Meeting Room; on the Exterior Window at the Southeast Entrance and Front Door Entrances to the Courthouse; on the wheelchair ramp door; and on the county web site