



Agenda Commentary

Item Title/ Subject: Glenn Smith Road Property Lease

Staff Source: City Manager, Steve Hewitt

Date: November 1, 2013

Background/Subject Information:

Stinnet & Sons Trucking has had the lease at our Glenn Smith Road Rail Property Location. They have struggled to make payment. We had moved forward of removing them from the property due to lack of payment. Trinity Reserve, Inc. has contacted me a number of times and has made an offer to lease. This is also a company similar to the past leases.

Recommendation:

Staff recommends dismissing Stinnet & Sons from lease and having new lease with same terms with Trinity Reserve. (see letter and email conversations) I have reviews lease costs around the area and we are receiving a premium....

Due to past issues and business economy fluctuations, we would ask you to consider allowing a lump sum year payment of \$12,000 or \$1500 per month.

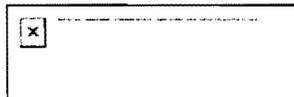
Price/Cost: \$1500 per month lease. (or \$12,000 annual pre-pay)

Steve Hewitt

From: Joe Bingiel <joe@trinitychemdiv.com>
Sent: Friday, November 01, 2013 8:48 AM
To: Steve Hewitt
Subject: Re: lease

Hi Steve,

I have been out of town but will get you the letter this morning. I am will to pay the \$1500.00 per month but if they would like to receive 3 months in advance at the beginning of each quarter, I would like to have a \$1000.00 per month charge. I am going to add this spur with our other locations that operate under our logistics company.



"With God everything is possible"

Joe Bingiel
President
817-403-6992
joe@trinitychemdiv.com

This email and any files transmitted with it may be confidential and intended solely for the use of the individual or entity to which they are addressed.

Trinity Reserve, Inc.

P. O. Box 115 Argyle, TX 76226
940-262-0905

November 1, 2013

Mr. Steve Hewitt
City Manager
Clinton, OK

Mr. Hewitt,

Thank you for working with us to bring our operation to your city. We look forward to working with you and the city. Our goal is to be a partner and steward with the city.

Our rail operation will provide products to many of the same customers that are now served by Farmrail in Clinton. In fact our product is used jointly in the exploration of oil and natural gas with those same products. We are a responsible care company and will at all times practice proper operating procedures as we have in other states and locations. Our logistics company below will be the operational company at the spur and would like our lease to be the lease holder. We look forward to being a partner with your city.

Joe Bingiel
President

APB Material Logistics LLC
P. O. Box 115
Argyle, TX 76226