



City of Lawton
Lawton Economic
Development Authority

Lawton City Hall
212 SW 9th Street
Lawton, Oklahoma
73501-3944

Minutes

Thursday, December 18, 2025

2:00 PM

Lawton City Hall
3rd Floor Conference Room

Meeting Called to Order and Roll Call

"Official action can be taken only on items which appear on the agenda. The Authority may adopt, approve, ratify, deny, defer, recommend, or continue any agenda item. The Authority may also propose and enact floor amendments to any matter presented before them. When more information is needed to act on an item, the Authority may refer the matter to City Staff. Under certain circumstances, items are deferred to a specific later date or stricken from the agenda entirely."

Vice-Chairman Madigan called the meeting to order at 2:00 PM in the 3rd floor conference room of City Hall.

ROLL CALL:

PRESENT: David Madigan, Rick Walker, Larry Neal, George Gill, Mark Brace, Ron Nance, Randy Warren, Brandie Page, Jason Hensley

ABSENT: None

OTHERS PRESENT: Richard Rogalski, LEDA Executive Director; Dewayne Burk, Deputy City Manager; Timothy Wilson, Deputy City Attorney; Tammy Branstetter, City Clerk's Office; Kelvin Ingram, Community Enrichment Deputy Director; Larry Parks, Community Enrichment Director; Bettina King, Lawton Public Library; Kirby Brown, Ward 3 Councilman Elect; Matthew Modeste, Hatch, Croke & Associates; Mike Ray, Lawton Constitution; Ashley Payne, Lawton Constitution; Eric Swanson, Lawton Constitution; Skylar Teddington, KSWO 7 News; Sarah Liese, KOSU Radio; Dee Jacobs, Citizen of the Community; Matina Davis, Citizen of the Community; Kaysa Whitley, Citizen of the Community; Daniel Jameson, Citizen of the Community; Robert De Shade, Citizen of the Community

Vice-Chairman Madigan welcomed all guests in attendance.

Statement of Compliance with Oklahoma Open Meeting Act, 25 O.S. 301-314

Vice-Chairman Madigan confirmed with Branstetter that the meeting notice and agenda were posted by the City Clerk's Office as required by the Oklahoma Open Meetings Act.

Business Items

1. Consider electing a Chairman, and if necessary, a Vice Chairman and/or Secretary, per Article VII (2) of the Trust Indenture.

Richard Rogalski, LEDA Executive Director, gave background information on this item. Rogalski said there was a City Council policy recently enacted that limits terms to nine years on trust authorities. So when someone goes up for renewal, if they've been there more than nine years, we would violate the policy to put them back on. The first person that it occurred to actually ended up being Chairman Fitch. Now, some of you have been here for a little while, and so at your next term, this will be your last term. A couple of you are 2031s and one of you is a 2027, but that's per that policy. Your bylaws allow you basically to elect a new Chairman, and I just put it on there just in case you got one of your other officers, you can elect them now too.

Motion by Nance, **Second** by Gill, to nominate David Madigan to serve as Chairman. **AYE:** Gill, Warren, Walker, Hensley, Brace, Nance, Neal, Page. **NAY:** None. **ABSTAIN:** Madigan. **MOTION PASSED.**

Chairman Madigan said now we need to fill the Vice-Chairman position, so I'll open that up.

Motion by Walker, **Second** by Warren, to nominate Larry Neal to serve as Vice-Chairman. **AYE:** Gill, Warren, Walker, Hensley, Brace, Nance, Madigan, Page. **NAY:** None. **ABSTAIN:** Neal. **MOTION PASSED.**

Chairman Madigan said I believe Larry Neal was the Secretary, so that creates an opportunity for a Secretary, which is important, because the Secretary signs some documents, checks periodically, things of that sort.

Rogalski said and they're a signer on our banks.

Larry Neal nominated Ron Nance.

Nance said I appreciate that, but number one, my term is going to be up pretty soon — I thought it was 2026, somebody said it's 2027 — but either way, it is. And my family has told me I've done enough, so, two reasons.

Chairman Madigan said thanks, Ron, for that. He asked if anybody else had a nomination.

Motion by Gill, **Second** by Walker, to nominate Jason Hensley to serve as Secretary. **AYE:** Gill, Warren, Walker, Madigan, Brace, Nance, Neal, Page. **NAY:** None. **ABSTAIN:** Hensley. **MOTION PASSED.**

2. Consider approving the minutes of the November 20, 2025, meeting.

A copy of the minutes from the November 20, 2025, meeting may be obtained from the

City Clerk's Office upon request.

Motion by Warren, **Second** by Neal, to approve the minutes from the November 20, 2025, meeting as presented. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page. **NAY:** None. **ABSTAIN:** Walker. **MOTION PASSED.**

3. Consider approving the October 2025 Financial Report from Hatch, Croke and Associates.

Matthew Modeste, Hatch Croke and Associates, presented the October 2025 Financial Report. A copy of the October 2025 Financial Report may be obtained from the City Clerk's Office upon request.

Modeste said the financials for October 2025 start on page 38 of your agenda packet. The statement of net position as of October 31st, 2025, the seven bank accounts total \$6.7 million dollars. Interest receivable, that's BOK interest received in November — \$429. Property tax receivable is for the October property tax, which was received in November, totaling \$7,488. No change in the AR state matching for the prior year, so total current assets are \$7.3 million. No change in the fixed assets or other assets, so your total assets as of October 31st, 2025 are \$11.8 million.

Modeste said on page 39, total current liabilities are \$112,590.80. There were no changes from the previous months in your long-term liabilities — \$26.7 million. Your total liabilities and net position are \$11.8 million.

Modeste said on page 40, the statement of revenue and expenses, the hotel/motel tax which was September hotel/motel tax was \$30,392. Property tax from October was \$7,488. So, total revenue is \$37,880. Total operating expenses are \$110,575.49. Interest income is \$13,720. The change in net position is a negative \$58,975.50.

Modeste said on page 41, on the cash flow statement, if you look at the bottom of the statement, you can see that we had a net decrease in cash of \$9,069.88. If you subtract that from the cash at the beginning of the period, that gives us cash at October 31st, 2025 of \$6.7 million.

Modeste said pages 42 to 46 of your agenda packet are the details of the combined expenses, which were on page 40.

Chairman Madigan said Matthew, I just want to thank you. At our last meeting, we asked you to add a year-over-year comparison on that statement of net position, i.e. the balance sheet, and thank you for doing that.

Modeste said you're welcome — I initially misunderstood what you were asking.

Motion by Warren, **Second** by Gill, to approve the October 2025 Financial Report as presented. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

4. Consider approving a joint resolution of the City of Lawton, the Lawton Economic Development Authority, and the Comanche County Industrial Development Authority acknowledging Westwin Elements, Inc.'s Written Notice of its Election Not to Proceed with the large-scale commercial refinery in Lawton, Oklahoma; approving a Notice of Termination of All Obligations under Part II of the Amended and Restated Redevelopment Agreement between the City, LEDA, CCIDA, and Westwin; and authorizing the Mayor or Vice-Mayor and Chairman or Vice-Chairman of LEDA and CCIDA to execute and deliver such notice.

Rogalski provided background information on this item. A copy of the proposed resolution and Notice of Termination of All Obligations under Part II of the Amended and Restated Redevelopment Agreement may be obtained from the City Clerk's Office upon request.

Rogalski said the Amended and Restated Redevelopment Agreement for the Westwin project was set up with a phase one and a phase two. We are currently at kind of the tail end of phase one. Technically, it goes until June 1st of 2026. Obviously, phase two could have started before that, but sort of the deadline was June one, let me say it that way. Phase one involved the pilot plant. There was a reason that we all agreed to do that — it was a startup company, and they were going to develop a small version of the plant, the pilot plant, and then work on their bankable feasibility study and put together the major financing and make everything work, and with the desire or at least the plan to construct it in Lawton. But they did not have an obligation in that contract to construct it in Lawton — it was just, "if you did, this is how it works."

Rogalski said there's obviously been some delay. We haven't been talking about Westwin for a little while. And the issues were with their feasibility study. The purpose of the feasibility study is that it needs to show that it's feasible, and there were some logistical problems they were looking at and were trying to overcome and were basically unable to, even to this day, overcome. I think there were some problems also in the commodities market. Commodities go up and down and up and down. So there was some decrease in the value of their commodity, nickel. At any rate, there was communication between the LEDC and Westwin where there was basically a final statement. They laid out terms of a termination, which are in this letter — the same terms that they discussed.

Rogalski said our agreement doesn't really have a, "What happens if you don't build the commercial plant there?". I mean, it has default issues where if you just don't do anything by June 1st, there's a plan there. But this is a case where there was discussion that Westwin was interested in operating and continuing their pilot plant — we would keep the jobs there, they would continue to pay the property taxes in that TIF district, and would basically buy the property from us and pay LEDA back, or pay all their money back and continue to operate. That's what was laid out, and it's laid out in that letter as well. But there were some delays in the financing and all of that, and so we

never got to the point where we had those terminations. I would have brought you termination agreements — the final agreements.

Rogalski said because of those delays, and it being kind of ongoing, we felt like it was necessary at this time to go ahead and get this letter done, because their election not to proceed with phase two effectively frees our obligations for phase two. Obviously, the LEDC can't approve that for everybody, so that documentation with the LEDC — it's necessary for all the other boards to approve that. In fact, it's the public entities that are financially involved in that that must approve these termination documents, and that's why you have this joint resolution and joint letter.

Rogalski said logistics are logistics, and commodity prices are commodity prices. I mean, we're not faulting anybody for that. But, the very last section basically says while we are acknowledging that we're stopping our obligations with part two, this letter says that the community is still open if things change, and they wanted to build a commercial plant here, we would be open to negotiate that, but the current agreement, those past obligations are gone, and we would be working from sort of now forward, to put it that way.

Rogalski said just to be clear, this does not remove any of the obligations in phase one. All those obligations on that part of the contract stay there, and they do still have to perform certain things by June 1st, 2026, or their lease ends and the promissory note comes due and all that. So, our hope is that we go through the steps of the settlement where we bring back to you the termination agreement, these agreements to basically transfer the property to them, and then we have a much smaller industry than we'd hoped for, but we still have a small industry here in town.

Chairman Madigan thanked Rogalski for the background information.

Motion by Brace, **Second** by Warren, to approve Item 4. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

5. Consider approving an agreement with Ryan Herring Construction to provide Construction Manager at Risk services for LEDA's portion of the construction of the Firehawk Aerospace development, for preconstruction fee of \$110,000.00 and a construction fee of 5.5% of the actual construction cost.

Rogalski provided background information on this item. A copy of the proposed agreement with Ryan Herring Construction for Construction Manager at Risk services for LEDA's portion of the construction of the Firehawk Aerospace development may be obtained from the City Clerk's Office upon request.

Rogalski said this is a very large agreement. It's probably the largest CMAr agreement I've seen. It was prepared by the Center for Economic Development Law, and I was told it was originally written for a client that was very risk-averse. And I thought, well, that's us — we're risk-averse. It's extremely comprehensive. But the important part is the construction manager at risk fees. Just to give everybody an understanding, there was

an RFP that was put out earlier in the year. There was a selection. We had three respondents. There was a selection committee, and Ryan Herring was the CMAr selected. Then there was a negotiation of the fee, which was 6%, and as it's laid out in the document, it provides a pre-construction fee, which is a half percent of \$22 million — \$110,000 is a half percent of \$22 million, and then 5.5% of the actual construction cost being the standard CMAr fee. And just so you all know, there's also another line item for the general contractor.

Rogalski said again, I really like the document. It's big, but it's very comprehensive. Now, I will ask you for a floor amendment. In working with Ryan, we've discussed the fee — a half percent and then a 5.5%. So, the first phase is exactly as we discussed — it's a fixed fee of \$110,000 plus expenses. If we move to the construction, that amount automatically gets wrapped into a total of 6%, because he wants the construction phase total to be 6%, and there are kind of reasons for that. Rogalski said if we stay on budget, it helps us because the construction manager fee does not include expenses. It's absorbed in there, and we pay less overall. If the amount goes over budget, then at some point, 6% catches up to those expenses, and he gets more money. Rogalski said 6% is a good fee for a construction manager at risk. They generally range from 6% to 8%, and so I actually like the change.

Rogalski noted that Section 6.3 Construction Phase found on page 34 of the contract says, "For all services performed by the construction manager to construct the project during the construction phase, the owner shall pay the construction manager a fixed fee as set forth in the GMP schedule amendment for the project." Rogalski said after we bid the project, we set a GMP, and at that point, you set the fee as a fixed fee, but it's going to be 6% of the GMP. This would occur after the project is bid and before award, or in between bid and award, and that's exactly per state statute. That's exactly what the statute lays out. So, all the little elements are bid. He brings them to us. And if we decide we like those, then we set up the GMP, and then that's it from there on — that's what he gets paid off of.

Rogalski said to go back to what the change is, the GMP schedule for the amendment for the project, that's called the "construction fee", but in any event, the total fee for the construction phase and the amount of fees and expenses paid to the construction manager during the pre-construction phase and the construction phase shall not exceed 6% of the cost of the work. The reason you have a pre-construction fee is that if we did not award, he's worked for several months for free, so that's reasonable. So, if we stop the project before award, that would be it. If we go to the award, it's just a standard 6% fee of the GMP — that's what this says.

Gill said as far as construction management at risk, a 6% fee is really very good. It's generally between 6% and 10%. Most of the time, it leans more towards 10% than it does 6%. I think the fee structure is good. The investigation of Ryan Herring Construction is excellent — there's no problem there with the construction manager. So, it just presents a situation where I would make a motion to approve his contract based on what we read here, and on the floor amendment of a maximum of 6% if

construction is started, I want to include that. So that's my motion.

Motion by Gill, **Second** by Hensley, to approve the contract with Ryan Herring Construction as presented, with the floor amendment to approve a maximum of 6% construction manager at risk fee if construction is started. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

6. Consider approving a Term Sheet for an agreement with CCIDA regarding acquisition of the 320 acre property that is planned as the future site of the Firehawk Aerospace development.

Rogalski provided background information on this item. A copy of the proposed Term Sheet with CCIDA may be obtained from the City Clerk's Office upon request.

Rogalski said this is just the first step in the project. You'll have a term sheet with Firehawk itself also. But I felt like we'd get this one kind of cleared away. It's actually a pretty simple term sheet. Basically, CCIDA owns the 320 acres that we've been planning to put Firehawk on. It's been rezoned, and it's all set for the project in that regard. We're getting a survey prepared for the project, an ALTA survey — Lester is doing that. That'll be completed here fairly soon. We got the title report updated, and so that's kind of moving along. But, we kind of don't have an agreement with CCIDA for the land, and I think that's kind of important. So what this sets out is that the LEDA will remit to CCIDA a sum of \$1.92 million — that is \$6,000 an acre. And it's going to be paid from TIF increment revenues received by LEDA attributable to the TIF district activated for the property. The amount paid to CCIDA each year would be equal to 35% of the TIF revenue so received by LEDA until that total amount has been paid to CCIDA. No interest or other fees will be applicable. That's kind of the important part.

Rogalski said I do have a floor amendment on this one, too. And this was my mistake. In that section I just read of "Consideration", what it actually says is over a 10-year period from tax increment financing. There really is no reason to limit it, because we're limiting it in the amount. Rogalski said the term sheet changed in time. I was originally going to pay them with lease revenue — that was my thought. And then it turns out it's just going to be simpler and easier when the project's expanding to do it with TIF revenue. The 35% number comes from, more or less, LEDA. When you get a dollar, about the first \$0.25 to \$0.30 goes to the taxing entities and to STEM. So what you have to work with is about \$0.70. It's a little more than that, but about \$0.70. So, this gives them \$0.35. So, you have half to pay the city, because the city's investment's about \$3 million for the sewer line. You would have half of that to pay the city, and half to pay CCIDA. Now, they haven't seen this yet. So I mean, this is just our first step here. You approve it, you go to CCIDA, they approve it. Then we draft the agreement. If they bounce it back, we bring it back to you.

Warren said so we remove the 10 years?

Rogalski said yes — it just goes as long as it goes. Now, my data, my projection, is it's less than ten years.

Madigan said that adjustment is on page 198 of the packet, on the second page of the agreement.

Rogalski said I should have mentioned in the last one too, just reminding everybody that LEDA received a \$22 million grant from the Oklahoma Development Finance Authority for this project. So it's a great deal for our community. We're getting the 100 jobs at \$93,500 each, which is our current term sheet. It actually might get more by the time I bring it to you. The project is expanding. It's going very well. By expanding, they're talking about spending more money than they originally did, twice as much. So that's why it says in this term sheet, up to \$100 million. So it's really looking like it's going to be a great project for the community.

Motion by Brace, **Second** by Hensley, to approve Item 6, with the floor amendment to strike the phrase "over a ten (10) year period" found on page 2 of the Term Sheet under "Consideration". **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

7. Consider approving a resolution approving the commencement of payments under the Economic Development Agreement with Republic Paperboard Company, LLC, dated December 1, 2019, making a determination regarding Republic's compliance with the Economic Development Agreement, and the amount of assistance to be provided to Republic in accordance therewith.

Rogalski provided background information on this item. A copy of the proposed resolution approving the commencement of payments under the Economic Development Agreement with Republic Paperboard Company, LLC, may be obtained from the City Clerk's Office upon request.

Rogalski said Republic Paper Board is located in TIF 3, which is the very first industrial TIF district that we created in the community, and it was created at the same time as the STEDI Project Plan. It's been a great project for us. Much of LEDA's revenue from the STEDI Plan side comes from Republic. The requirements in the agreement were that, basically, at year six, we start making certain payments to them over a 25-year period. And the payments were, if they performed everything they were supposed to, it was going to be \$4,320,240 payable in equal installments from year six through year 25. So, divide that by 20, and we give them that amount every year. But there were certain requirements they had to meet. First, they had to make investments that ended up with a taxable value of \$75 million. They have actually exceeded that. We're looking at the letter that came from the Center for Economic Development Law. In 2022, it was \$77 million almost, and then it was \$97 million in 2023, and then \$89 million in 2024. The reason it fluctuates is because a lot of that is personal property, and it depreciates over time, but they certainly reached that mark — there's no doubt they reached that mark.

Rogalski said the other requirement was to get 20 new employees. Their baseline was

148 in 2019, and by 2025, they have 185, which is 37 new ones. So they definitely met that one. Then the other requirement was an increase in net annual payroll of \$2,160,120. If you look at page 203 of your packet, you'll see the payroll documentation for years 2019 through 2025. And you'll notice, in 2020, there was not much increase, right? There was very little increase. Now, the reason for that, basically, if you recall, there was a little something going on in 2020 called COVID-19, and they were not able to get their construction moving as fast as they wanted to. So what we're showing you here today, and you have the purview to accept this, is their numbers from 2021 to 2025. So, you can see in 2021, they were at a million dollars in new payroll, and in 2022 it was \$1.3 million, and in 2023 it was \$1.8 million. Then, in 2024, it jumps up to \$3.2 million, and the current year — now it's only a project for this last month, we have real data through November they projected last month — was \$3.4 million. And the average on that is over the \$2.1 million mark. So, they do meet the threshold if you give them the unavoidable delay for 2020, and that is in your agreement — you're in contract as well. So our recommendation is that they have met their requirements, and that's what the resolution basically says. So, we have a resolution that we're asking you to approve that says, "yes, we met the requirements, and we're giving you 2020 as an unavoidable delay." We would begin those payments really immediately because we're just in year six now.

Gill said I think they've done a really good job and really provided a lot for the community. We're glad to have them.

Chairman Madigan said I believe this is just a wonderful example of retaining and growing an existing industry. A lot of times we get caught up with trying to attract new business, which is important, but LEDC and a lot of other entities have done a great job working with Republic Paper, and we sure appreciate them being in our community.

Motion by Gill, **Second** by Walker, to approve the resolution. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

8. Consider approving an amendment to the STEM Funding Agreement and budget between the Lawton Economic Development Authority and the Friends of the Library.

Rogalski provided background information on this item. A copy of the proposed amended STEM Funding Agreement and budget between LEDA and the Friends of the Library may be obtained from the City Clerk's Office upon request.

Rogalski said you all just approved them about a month or two ago, and it's a great program. They're doing basically Lego League through the library. And why that's important is that Lawton Public Schools is doing Lego League, but there are some kids that don't get on the team. So, they can come to the library. It's also important for homeschoolers, and kids that go to Cache or some of these other schools. So it's providing this sort of catch-all for people in the community, so it's a great program.

Rogalski said you can see that in their funding agreement, they made a few

modifications that really don't amount to anything, but they're fine - they're not wrong, it's just they don't really do anything. The big thing that's changing is they were originally approved for \$12,000, and their submitted budget now is \$4,743.37. So they were able to not spend close to \$7,000. So really what's salient about this amendment — a little bit of language, and then their amended budget. This was presented to the STEM board yesterday, and they did recommend approval.

Gill asked is it still at \$12,000?

Rogalski said no — it's at \$4,743.37 — it's exactly what the budget says.

Motion by Gill, **Second** by Warren, to approve the amended Friends of the Library STEM Funding Agreement and Budget. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

Reports

1. Receive a report from the LEDA Executive Director.

- State Matching Funds

Rogalski discussed the status of state matching funds. Rogalski said there was a City Council policy early last year that described how the use tax was going to be, or a portion of the use tax was going to be put towards the CIP. So we had to work with legal to determine does that apply to us or not? Well, City Council on the 9th, they approved a resolution saying it does not. So they're saying the way you did it before is the way you're going to continue doing it for LEDA on this that has to do with TIF 2. So really, there's no change to the state matching funds, but until they approved that, finance couldn't send me the information, so I just got it from them. So we'll be sending it off here this month. In fact, the Mayor may be signing it as we speak. So that's moving forward.

Rogalski said the STEM board also modified the SOP for STEM funding agreements, and I'll give you that at the next board meeting to look at. But what it does is it formalizes the submittal time and all that. Most of that doesn't matter to LEDA, because you only get involved when they get done with the agreement. But, there's a more formalized application process, so they won't be coming in willy-nilly.

Executive Session

Motion by Warren, **Second** by Nance, to convene in executive session. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

The Authority convened in executive session at 2:37 PM and remained in executive session until 3:01 PM.

Motion by Gill, **Second** by Neal, to return to open session. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

1. Pursuant to Section 307(C)(11), Title 25, Oklahoma Statutes, consider convening in executive session for the purpose of conferring on matters pertaining to economic development, including the transfer of property, financing, and the creation of a proposal to entice a business to locate within their jurisdiction if the public disclosure of which would violate the confidentiality of prospective business entities, and in open session, take action as necessary.

Chairman Madigan said there's no business that was taken in executive session, and I don't believe we have any coming out either.

No action was taken on this item.

Adjournment

Motion by Gill, **Second** by Hensley, to adjourn the December 18, 2025, meeting. **AYE:** Gill, Warren, Madigan, Hensley Brace, Nance, Neal, Page, Walker. **NAY:** None. **MOTION PASSED.**

The meeting adjourned at 3:01 PM.

Minutes of the December 18, 2025, meeting were approved by the Authority at the January 15, 2026, meeting.