



City of Lawton
**Lawton Economic
Development Authority**

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

Minutes

Thursday, April 30, 2026

3:00 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."

Chairman Madigan called the special meeting to order at 3:01 PM in the 3rd floor conference room of City Hall.

ROLL CALL:

PRESENT: David Madigan, Rick Walker, Larry Neal, Kirby Brown, Ron Nance, Jason Hensley, Mark Brace

ABSENT: Brandie Page (excused), Randy Warren (excused)

OTHERS PRESENT: Richard Rogalski, LEDA Executive Director; Kobe Humble, City Clerk's Office; Tim Wilson, Deputy City Attorney; Ryan Herring, Herring Construction; Molly Fry, Herring Construction; *George Liddell, Firehawk Aerospace; Mike Ray, The Lawton Constitution

*Attended virtually via Microsoft Teams

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

Chairman Madigan confirmed 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. Receive a report from Ryan Herring Construction, Inc., LEDA's Construction Manager for the Firehawk Aerospace construction project, and consider and take action to approve the award of Bid Package #1 — Demolition/Site

Work/Storm Drainage to Iron Pipe in the amount of \$4,388,288.00 as the lowest responsive and responsible bidder meeting the requirements of the bid documents and authorize the Chairman to execute the Form of Guaranteed Maximum Price Proposal in accordance therewith.

A copy of Ryan Herring Construction's Recommendation Letter for Award of Bid Package 1 - Demolition, Sitework, and Storm Drainage, may be obtained from the City Clerk's Office upon request.

Chairman Madigan asked Ryan Herring of Ryan Herring Construction, Inc to provide a brief summary of the bid package. He notated that there were three bids turned in.

Mr. Herring said if you guys want to turn to page 4 of your packet that you have in front of you, that's the letter that I sent off. I believe I sent that on Friday last week. This is the very first bid package that we've had on the Firehawk project. I'll say this a lot — you'll probably hear me say it a lot over the next 12 to 18 months — this contract's a bit of an anomaly when it comes to construction management. There's nothing really straightforward on it because you guys are funding up to a certain point, and then Firehawk is going to fund up to a certain point. So, typically, what we'll do is — I can use this as an example — we're building a safe room/gymnasium over at Ridgecrest Elementary. When we bid that out under construction management, we had about 18 to 20 bid packages that all went out at the exact same time. So, we received 3 to 4 bids in each bid package, and we're able to quantify all of those bids and then give you guys what we call a guaranteed maximum price.

Mr. Herring said this Firehawk project, due to some time constraints, is being released in phases. Phase one was the demolition, site work, and storm drainage, and that's just one package of a multitude of packages that will come out from now until really the first quarter of next year. It was a way to facilitate an expeditious schedule and to try to fast-track it so we can get all the dirt work out of the way.

Mr. Herring said the site utilities package has been completed. We sent out the first advertisement last Sunday, and it will hit the paper again this Sunday. I think we have our bids set for Tuesday, May 19th. So we'll do the same process, it will just be the second bid package. After that, it gets a little more complex — and I'm probably telling you more than what you want to know, I'm just trying to give you a little forecast. It gets a little more complex because we actually start building vertically instead of horizontally. The first package is going to be three buildings: buildings four, five, and six. It doesn't really make any difference to you guys, just knowing these are buildings four, five, and six. Inside each one of those buildings, like a normal construction project, there are a multitude of trades. We've got concrete, electrical, mechanical, and so whenever we bid those bid packages, there could be in excess of 20 different small bid packages inside of that. I hope I'm not being too confusing, but I'm just kind of giving you guys a look down the road of why this will look a little bit different as we go.

Mr. Herring said whenever we received our bids for the three that you see in your letter

there on page 4, we received three bids. And we talked about this at the last meeting — under Title 61, which is what your board has to abide by, we had one responsive bid. That responsiveness was determined by the fact that only one bidder was able to meet the 60-day timeframe that we put on the project. That 60-day timeframe to complete their work was set forth by the gentleman on the screen behind you. I won't reveal any of his trade secrets, but he's got some hard-stop deadlines that happen next year. We've worked ourselves backward from those dates, so we know how much time each trade has allotted, and so we're able to say, okay, we've got to have 60 days. We received three bids, and all of this stuff is public record if you guys want any of it. We're just holding onto it until it's ready to release. Only one of the bids, which was Iron Pipe, showed that he could do the job in 60 days. Obviously, he's not the low number, but he's the only responsive and responsible bid that we received. So that's why we make our recommendation, in accordance with Title 61, to award to Iron Pipe for \$4,388,000.

Nance said where do the numbers come from? Was that a deadline?

Mr. Herring said if you'll move down a little bit further, the very last paragraph that we've got there says the 60-day completion requirement is considered a material component of the bid documents. If you had the bid packet in your hand, you would see that there's a note on the front cover sheet listing five or six things that they owe us. It's things like the bid proposal, bid bond, affidavit, insurance, etc. But the last two that I know are important to this conversation are, one, they owed us a schedule, and the other thing they owed us is a list of three projects of similar size, scope, and nature. So the 60 days — as I explained earlier — we kind of backed ourselves into that because we know that we've got to have that dirt work done in 60 days so our concrete guy can start, so that ultimately, that doesn't keep trickling down and then this gentleman on the screen winds up in a situation where he can't produce the product that he needs to produce for the Department of Defense. So the 60 days is what we asked the three companies — or really anybody bidding on the project — to meet. We asked the contractors, with their bid packet, to please provide us a schedule, and we put a note stating there is a 60-day calendar duration in which you need to build your schedule to. So the days you see there are the days they gave us with their schedule at bid time.

Nance said what happens if Iron Pipe doesn't meet that schedule.

Mr. Herring said that's a great question. Probably the magic word that everybody's looking forward to hearing me say is liquidated damages. Liquidated damages is a clause that we — you guys, us, anyone — are allowed to put into a contract. It is a pre-established dollar amount that says every day you go past this, we're going to charge you X amount of dollars. You've got to come up with that number ahead of time. That could be \$500, or it could be \$5,000 — we do some Department of Defense work that's \$5,000 a day in liquidated damages — as long as it's put in the contract.

Mr. Herring said we don't have liquidated damages in our contract with LEDA because, going back to what I said earlier, this is a bit of an anomaly, and that's a hard thing to define. One thing to keep in mind is liquidated damages are not punitive. You're getting

liquidated damages because you've been put out that amount of money over those kinds of days. So what we do to combat that, which in our opinion is a little bit stronger, is that in whatever we issue — with you guys' permission, if you work on Iron Pipe — we'll have multiple clauses in our subcontract with Iron Pipe that, for lack of a better term, give us some teeth that says if you don't meet certain interim milestones per the contract schedule — which their contract will be tied to — and we'll be having weekly meetings with them like we always do, with people onsite every day with them — if they fail to meet those milestones, they have a one-day cure notice. We send them a letter that says you've got one day to give us a response on how you're going to cure this. All additional expenses incurred to meet the schedule and get it back on track are at their own expense, not ours or the owner's. If they fail to meet that — and I'm going off memory here, I think maybe it's three days — if they fail to meet that and catch that back up, or at least give us a plan within that two- or three-day timeframe, we have the teeth in that contract to supplement their workforces and to back charge them so that it doesn't cost you or me any money. So we leave those teeth in the actual contract itself.

Richard Rogalski, LEDA Executive Director, said I think it might be a good time to bring in George Liddell because the whole issue of the 60 days revolves around his schedule.

George Liddell, Firehawk Aerospace, said I'm grateful to be here, so thank you for your time. To the extent that I can provide more insight onto the requirements, I'm happy to speak to them. I do have the project schedule behind me. I have a version of it at home. I think about the schedule day and night because every single piece of equipment that has been purchased on this project has early delivery incentives. Every design contract that we've sent out — whether it's the architects, process engineers, structural, civil, or whoever else — has early design incentives. This may seem like an aggressive requirement that we've placed on this first bid package, which is under review now, but every group working on this project is being held to the same standard. You can imagine I'm not a popular person with all of these groups, but it is driven by end-customer requirements. I can say that we will be having a press release on Monday or Tuesday next week that will shed some light on it. It's not currently public, but I can say that we have a customer ready to purchase the products that will be produced on this site, up to a certain quantity, all due to be delivered before the end of next year. So this is really exciting because it means we're going to need to hire and get to work as soon as possible.

Mr. Liddell said what we know we've designed the site for, with respect to throughput, we know how much time we have to deliver on that contract. So it is well defined what the expectations from the government and the customers are on us, and we would love to meet that schedule, because it aligns with our company mission in terms of the problems we're trying to solve for the United States. So every bid package is going to be similarly aggressive, hopefully feasible, but I hope that sheds some light on our perspective, the approach we're taking. It's not simply this bid, it's every step of the process.

Rogalski said and so I kind of felt like, when you think about liquidated damages versus the process that Ryan has laid out, at the end of a project, if the guy's late, you charge him, say, \$1,000 a day. If he's 30 days late, that's \$30,000. Well, the impact of being 30 days late is much larger than that. So what we don't want to do is be 30 days late. We're saying we can't be 30 days late. So we're going to build into the contract, and it's going to be up to that man to make sure they stay on schedule. Our funding for this project does not get the whole project built, unfortunately. We are not building the whole site. So we're actually sort of out of the project, kind of, in terms of the construction project before it's done. And so that delivery date, that end date where you would start the liquidated damages for our construction manager, he's not the construction manager anymore, he's Firehawk's. That's between them, kind of, at that point.

Brown said when we have finished our obligations, our construction manager is going to move to Firehawk? That's what I heard you say.

Rogalski said I believe that's the case, but I don't know if they have the contract yet.

Mr. Herring said we do not have a contract yet. It's a moving goalpost. But I believe, and to reiterate what you said, once the \$22 million is expended, and as we start establishing this path, at some point Herring Construction will go under contract with Firehawk.

Rogalski said what is in our agreement is the fact that Firehawk will pay for it from there on. So that part is set. I can't say who they hire.

Brown said as the construction manager, did you do a cost estimate, or a rough order of magnitude for the Phase 1 work?

Mr. Herring said yes sir, I budgeted \$3.5 - \$4 million.

Brown said so all of our bidders could have come in close to that, but they could not meet the 60 days, so we're going to pay a premium for a 60-day guarantee. Does that sound reasonable?

Mr. Herring said it's hard for me to infer what their ideology was when they put the bid together. What we can do is a rough order of magnitude. I will tell you, in construction, the very hardest thing to quantify is dirt. It's always a different game. But absolutely, there could have been a possibility that these guys accelerated, got more equipment, and said, "Hey, it's going to take more manpower to do that."

Brown said so there is a premium to meet that schedule. We own how many phases that our \$22 million goes towards?

Rogalski said with regard to the bid packages, we'll probably run out somewhere after the buildings, maybe, but we have to see how each one goes, and we'll track it from

there. Basically, we run out of our \$22 million, according to his expenditure schedule in, I think, October or November.

Brown said so this is a commingled Gantt chart that's being displayed, from what you've told me.

Mr. Liddell said yes sir. And the idea is that while we're building group one, we'll still be designing group two and so on. While we're building group two, we'll finish the design of group three. And it was the most rapid way to get through the project.

Brown said I have no objections. I'm just trying to understand. I just wanted to know, was what we committed to three discreet packages, or we will do it until we run out of money.

Rogalski said it's the money - the dollar value, because honestly, we don't know what the packages are quite frankly yet.

Mr. Herring said it's on the schedule. If anybody on the board wants to see that schedule, I think that we can send it to you. Keep in mind that it's a living document — it flows.

Brown said I will give you my card, and I would like to take a look at it.

Mr. Herring said sure.

Mr. Herring said we've got a utility package being advertised right now, so we'll take bids on that. Then we've got buildings 4, 5, and 6, which will be the next ones. We're actually working on those now, and we hope we'll be able to get those into the solicitation, or the advertisement in the paper, on Sunday. The next project, or the next building to come out, will be one single building, which will be Building 16. After that, we'll probably be in August before we get our next round of buildings.

Rogalski said and when I said we run out of money in September or October, that's the actual construction cost. And so, like I said, if the next three bid packages used up all our money, we would actually sort of be done awarding next month. But we'd still be building it, we'd still be paying for the construction.

Mr. Herring said and I anticipate that to happen with Buildings 4, 5 and 6 bid packages.

Brown inquired about completion dates.

Mr. Herring said completion dates will be this fall. But I don't even think you guys are going to have enough money to award all of Buildings 4, 5, and 6. These are some pretty hefty buildings. Two of the buildings have walls that are 24 inches thick, and some of the interior walls are 12 inches thick. They are large, 30-foot-plus buildings, and they've got concrete tops on them. These buildings that we're soliciting, hopefully

on Sunday, are part of the heart of what Firehawk is going to try to do. It's all the stuff that goes boom. So, they've got blast walls and blast doors. They're large, very concrete-intensive buildings, which will be some of the most expensive buildings by the square-foot that you'll probably ever see.

Mr. Herring said the only thing that I can elaborate on a little bit is on the next page, page 6 of 7, which is Exhibit F, our Guaranteed Maximum Price. Normally, on that first line item right there, I can give you guys a dollar amount and say, 'There it is.' Then everything else underneath it would be our insurances, our fees, our superintendents, and our GCs. I'm going to give you that number, but it's going to be a little bit of a moving target, again, because every time we bid another package, we'll add some more money to that. We'll keep doing that until we get to a total number at the bottom of \$22 million. So again, if anyone ever looks at it from one week to the next, or two weeks to the next, and has a question, don't hesitate to call me. Richard's got my cell phone number and my email, and I'll try to explain it because we're not going to be doing anything that isn't transparent at all times. It's just that number is going to move quite a bit because we're going to keep getting packages. We just don't move it all in one lump sum.

Mr. Herring said I would like to add one thing, if I'm not out of line in saying this. I have emailed over a standard copy of our contract that we use. Richard's got it. I want to throw this out to the board. It's very common for us to do a contract for LEDA, LPS, or CCMH and then give them the opportunity to look over our contract. They may say, 'Hey, you need to add this.' I'll give an example that everybody knows about: we have to add a clause in our contract with LPS about sex offenders. We have to have it in there because we cannot have sex offenders on the LPS job site. So, as you guys have an opportunity to look through our contract, if there's something in there you want us to revise, there are certain things we can't take out because we're contractually or legally obligated to include them. But if there are any additional revisions that you guys want to suggest, and say, 'Hey, would you mind doing this,' please send those back to us, and we'd be more than happy to take a look at them.

Rogalski said and we'll send this over to our attorneys. We'll have everybody look at it.

Madigan said George, are you satisfied with the bid package? I know it's probably a little bit more than the original estimate. Because, again, if I'm hearing correctly, we're funding up to \$22 million. So you're taking it kind of on the back end. I think that is hopefully a fair question to ask — is Firehawk comfortable with this?

Mr. Liddell said yes sir, I am. It is our expectation that there may be challenges at times meeting some of the requirements, and that budget amount that Ryan mentioned earlier versus the amount this is coming in at, we're very happy, because we'll end up paying that delta on the back end, and we're very happy to do that.

Brace asked if the initial accumulation from the P3 grant is greater than this contract.

Rogalski said yes. It's \$1.7 million a month starting in December.

Brace said is it paid monthly?

Rogalski said it is earned monthly, and they pay it to us in draws.

Motion by Brown, **Second** by Walker, to approve Business Item #1 as presented.
AYE: Brown, Madigan, Brace, Nance, Neal, Hensley, Walker. **NAY:** None. **MOTION PASSED.**

Adjournment

Motion by Nance, **Second** by Neal, to adjourn the April 30, 2026, special meeting.
AYE: Brown, Madigan, Brace, Nance, Neal, Hensley, Walker. **NAY:** None. **MOTION PASSED.**

The meeting was adjourned at 3:26 P.M.

Minutes of the April 30, 2026, special meeting were approved at the May 21, 2026, Authority meeting.