City of Lawton

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

Lawton Economic Development Authority

Minutes

Thursday, July 31, 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."

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

ROLL CALL:

PRESENT: Fred Fitch, Jason Hensley, David Madigan, Larry Neal, Brandie Page, David Means

ABSENT: Ron Nance (excused), Randy Warren (excused), George Gill (excused)

OTHERS PRESENT: *Richard Rogalski, LEDA Executive Director; **John Ratliff, City Manager; Garrett Lam, Assistant City Attorney; Tammy Branstetter, City Clerk's Office; Scott Hatch, Hatch, Croke & Associates; Kim McConnell, Lawton Constitution

*via Microsoft Teams
**arrived at 2:06 PM

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

Chairman Fitch confirmed with Branstetter that the meeting notice and agenda were posted by the City Clerk's Office as required by State Law.

Business Items

1. Consider approving the minutes of the May 15, 2025, and July 15, 2025, meetings.

A copy of the minutes from the May 15, 2025, and July 15, 2025 meetings may be obtained from the City Clerk's Office upon request.

Motion by Hensley, **Second** by Page, to approve the minutes from the May 15, 2025, and July 15, 2025, meetings as presented. **AYE:** Madigan, Means, Neal, Page, Hensley, Fitch. **NAY:** None. **MOTION PASSED**.

2. Consider approving the May 2025 Financial Report from Hatch, Croke & Associates, PC.

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

Hatch said I thought I'd just kind of give you the synopsis of the abridged version of the financial statements. On the first page of the financials, the total current assets are $7.646 million. When I was going over these with Matthew, the challenge on these financial statements is really the timing of when we get the information to book the receivable on the sales and use tax, and then the corresponding payable on how much of that goes to various places. So what we decided back when we first started this is that we would issue these based on the information we had at the time. Now, in approaching June—which is your fiscal year-end—what we're going to do is go ahead and issue June based on the information we have, knowing that there's a couple of months that we're not going to have yet on sales tax and use tax, and the corresponding payable. Then, we'll do a 13th period once that information becomes available. That way, you guys will still have a financial statement available to you. So that's kind of our plan. What maybe reminded me of that is the AR state matching in prior years of $557,000. That's actually an April 2025 claim, so they're actually pretty caught up on those prior years. Matthew's discussion with Rich is that the thought is they will pay that, because they paid the previous one. So, we're hopeful on that.

Hatch said on the next page, current liabilities total $184,000, which really is interest on the note and a few accounts payable. Then long-term liabilities reflect the balance of the loans and the payables, which are bits and pieces of TIF district obligations. Next page—income and expenses for the month: total revenue of $343,000, expenses of $92,000, with an operating income of $251,071 and interest income of $12,900. For the year-to-date, in the third column, total revenue is $3.2 million, expenses $1.5 million, for an operating income of $1.6 million, plus interest income year-to-date of $134,000. That leaves you with a net change in position, or net income for the year, of $1.814 million.

Hatch said the next page is the cash flow statement, which reconciles that net income number to the change in cash. Following that are the departmental income statements, which we issue—one for operations and then one for each TIF district. I don't think there's anything there that I highlighted that deserves any specific conversation, unless you have any questions—in which case, I'm happy to address those.

Motion by Madigan, **Second** by Means, to approve the May 2025 Financial Report as presented. **AYE:** Madigan, Means, Neal, Page, Hensley, Fitch. **NAY:** None. **MOTION PASSED**.

3. Consider authorizing the Executive Director to submit an application for a Commercial/Industrial Short-Term Lease to the Oklahoma Commissioners of the Land Office for the 78.79-acre parcel being that portion of the Northeast ¼ of Section 36, Township 2 North, Range 13 West, lying northerly of the northerly right-of-way line of the Stillwater Central Railroad.

Chairman Fitch said this is the 79 acres that are directly south of the 320, and then on the north side of Goodyear. That whole strip that covers the length of the 320—this is the east section of that property. There's possible expansion on the 320 acres, and we thought we'd better tie that thing up. There's some interest there, so we wanted to go ahead and get it wrapped up so we wouldn't have to deal with that down the road. He asked Rogalski to provide additional background information on this item.

Rogalski said the property is owned by the Commissioners of the Land Office—it's school trust land, as we all call it, but it's an odd piece. School trust land is usually sections of land and larger parcels, so this is kind of an odd, outlying piece. Through our research, we realized this was school land, and we spoke to them about it. They said this is an example of the kind of school trust land they are willing to release because, in their opinion, it has kind of met its potential in terms of value. However, the process for this is a short-term commercial lease. What this does is just begin the process. This lease or application process probably takes around six months, so that's why we're just going ahead and starting it now. It just takes a long time. And even then, what you have is a fairly small annual lease payment that allows you to do due diligence—get all the studies done that we would want to get done on it and things like that. Then you basically have three years to acquire the property. So, this is just the beginning - the first step. You know, we are kind of running out of land out there, and this property is in good proximity to that 320 acres and would allow some expansion of that project. It's the only place that project can really expand, so we thought it would be good to get this set up and get the process going. There is a $250 application fee that we would send in with this, but the rest of it is just pretty simple documentation: the legal description and the $250.

Chairman Fitch said Richard, I'll ask you—and I don't know whether you can answer or not—but I recall when Bill Phelps and I were looking at that property, which is catty-corner from the northeast corner of where PSO's power plant is. We were looking at that for acquiring it for an industrial park. So it's been quite a few years ago, but if I'm not mistaken, I think they were looking at $3,000 to $3,500 an acre on something like that. So I don't know whether that's kind of in play with this. If you had $3,000 an acre, that'd be $210,000, so it's not a big acquisition, but it is something that would be nice to have for further expansion of the 320. Do you have any idea what that land would be worth in today's market with the school land commission?

Rogalski said I think the number that you gave is somewhere reasonably close, but the way the process works—the value will be based on an appraisal of what they think it's worth. Even the short-term lease is based on an appraisal. Then, for example, if we decided we wanted to acquire the property, we would actually get an appraised value, agree on that value, and then we would have to go out and acquire a different property to trade with them. So, there would be an exchange. But again, my experience with this is that it's a very slow process, and that's why we just thought we'd get it started now so that we don't have to rush sometime in the future.

Means asked what is located to the south of the property.

Rogalski said the property to the south is owned by Goodyear.

Neal noted that Bar-S is across the street.

Rogalski noted that the property to the east is owned by the LEDC - we call that WS2.

Means asked what is located to the west of the property.

Rogalski said the little box is an electrical substation. You actually have a 138 kVA line that runs along the north side of this property, and then you have another 138 that runs along the south side of the property. So, it's bounded by transmission power lines, which are not easy to move. But that is something that would be the next step if we acquired this property—we'd kind of see how much it would cost to move that power line, the one to the north. And we'd just go through the process of seeing if it makes sense or not to acquire the property.

Chairman Fitch asked if that is the railroad track that we see on the south border of that property.

Rogalski said yes. That's the other thing about this property that makes it valuable—it is adjacent to rail. I can tell you that we get a lot of RFQs all the time, and this property would fit several of those RFQs that we get from people who want rail access, but they're not always giant projects. So, I think it makes sense for multiple reasons to acquire this property. In fact, the LEDC was moving forward with it, and then, as I began to think about it, since it's adjacent to the property that LEDA is planning on working on and developing—I just thought it would be better if LEDA applied for this short-term lease. However, if you all said no, the LEDC would probably go ahead and do it.

Chairman Fitch said I think it's got to be really considered by either LEDC or LEDA, and we're dealing with the 320 to the north, so I think we're the correct party to look at it right now.

Motion by Madigan, **Second** by Hensley, to authorize the Executive Director to submit an application for a Commercial/Industrial Short-Term Lease to the Oklahoma Commissioners of the Land Office. **AYE:** Madigan, Means, Neal, Page, Hensley, Fitch. **NAY:** None. **MOTION PASSED**.

Reports

1. Receive a report from the LEDA Executive Director

Rogalski said I wanted to let you know that included in your packet was a report we received from Quest, which is on the STEM program. It covers more than just what they're required to report for reimbursement—it basically outlines everything they've been doing. We're also going to provide that report to the STEM Board, but I thought you might want to see it as well. It gives a good overview of what they're doing with the STEM funding, which is essentially being paid for by LEDA. Rogalski said there's still a tremendous amount of interest in industrial development in the City of Lawton - we're working on projects all the time.

Chairman Fitch said the STEM program is a good program, and it's looking way into the future. We still have one of the first businesses that went into the FISTA program, and it's now headed by a young student who was in the STEM program at Eisenhower. He went to college, got his degree and everything, and now he's back here, employed as the CEO—or site manager. So that's what we're looking for, and it is something that is very beneficial to young people in the community.

Rogalski said I'm working on a revised budget for LEDA to look at how we can try to get a little bit stronger in the administrative area. I think we're spread a little thin—with 55% of one employee, and we probably have around 25% of Tammy, or less. So I'm going to basically start working on a budget and really begin looking toward the future of how LEDA is going to be managed.

No action was taken on this item.

Executive Session

1. Pursuant to Section 307C.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.

Motion by Means, **Second** by Hensley, to convene in executive session. **AYE:** Neal, Page, Hensley, Fitch, Madigan, Means. **NAY:** None. **MOTION PASSED**.

The Authority convened in executive session at 2:21 PM and remained in executive session until 2:35 PM.

Motion by Madigan, **Second** by Hensley, to return to open session. **AYE:** Neal, Page, Hensley, Fitch, Madigan, Means. **NAY:** None. **MOTION PASSED**.

No action was taken on this item.

Adjournment

Motion by Hensley, **Second** by Madigan, to adjourn the July 31, 2025, meeting. **AYE:** Neal, Page, Hensley, Fitch, Madigan, Means. **NAY:** None. **MOTION PASSED**.

There being no further business, the meeting adjourned at 2:36 PM.