

MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
MAYORS CONFERENCE ROOM
NEW CITY HALL
JANUARY 07, 2016, AT 2:00 P.M.

Fred Fitch, Chair, called the meeting to order at 2:00 p.m. in the Mayor's Conference Room. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:

PRESENT: Denham, David; Fitch, Fred; Jackson, Keith; Nance, Ron; Neal, Larry; Wells, Doug.

ABSENT: Madigan, David; Means, David; Sheppard, Ernie.

OTHERS PRESENT: Scott Powers, Financial Services; Richard Rogalski, Planning Director; Frank Jensen and Dayne Due, City Attorney Office; Denise Ezell, City Clerk's Office.

INTRODUCTION OF GUESTS

Fitch stated there are none present.

BUSINESS ITEMS

1. Approve the minutes of November 18, 2015.

Motion by Wells, **Second** by Denham, to approve the minutes of November 18, 2015.
Aye: Fitch; Jackson; Nance; Neal; Wells; Denham. **Nay:** None. **Motion Passed.**

2. Consider approving invoices, requisitions, and all other submitted materials for payment and take action as deemed necessary.

Fitch stated there are none for approval today.

3. Receive Financial Report and take action as deemed necessary.

Powers stated starting on page 3. This is the summary from July to November. There were a couple of errors on the Profit and Loss Statement under the hotel/motel sales tax report. I've gone back to June to verify that everything is correct. There were a few formula errors on the report and I have corrected those. The Mayor has asked that I double check the matching fund numbers as well.

Fitch stated we have not received the funds we filed in October. This shows \$309,193.78 and I thought it was \$326,000.00. The check should be here by the end of the month but I want Powers to check these numbers.

Wells asked are we waiting to receive the \$309,193.78.

Powers stated yes.

Wells asked and is there another one outstanding for \$309,195.56.

Powers stated no those amounts should be the same. I'll look into the difference. Move to the December Profit and Loss. The hotel sales for October was \$8,184.69, property tax income was \$3,094, and Sales and Use Tax for October was \$23,958.78. We have the interest expense in the amount of \$111,458.88, mowing and clearing of debris of \$7,700, and professional fees of \$2,938.00. You had interest of \$179.68. Are there any questions?

Fitch stated they did an excellent job on the tree removal. It looks really good.

Wells asked what was the bank balance as of December.

Powers stated \$818,103.99.

Denham asked when is the next interest payment due.

Ezell stated March.

Rogalski stated I believe we will be about \$120,000 short on this payment. This is an interest only payment and the September will be principal plus interest and it will be more difficult. We will have the ad valorem by that time but I'm projecting we will be short.

Wells stated if we are not allowed to collect taxes on online shopping we are going to hurt.

Fitch stated I saw a report that on Cyber Monday they sold \$54 billion nationwide. Can't the State pass a law allowing us to collect?

Wells stated I believe there is a federal law that states you can't tax internet sales.

Denham stated there has to be a physical location in the state.

Fitch stated it is beyond me why we can't get something passed.

Denham stated there were 54 billion reasons on cyber Monday.

Wells stated it is going to hurt us. Our mall now has 6 vacancies and the more vacancies the less someone wants to be there. This hurts our sales tax.

Motion by Denham, Second by Nance, to accept the treasurer's report. **Aye:** Jackson; Nance; Neal; Wells; Denham; Fitch. **Nay:** None. **Motion Passed.**

4. Report on project activities, issues and programs including discussion and possible action on implementation and coordination.

Rogalski stated we have removed the trees and other than that I have nothing.

Fitch stated we have something working on the north end but we are not at liberty to discuss it at this time.

EXECUTIVE SESSION

1. Pursuant to Section 307B4, Title 25, Oklahoma Statutes, consider convening in executive session to discuss a pending action/claim involving the electric utility relocation costs associated with the Lawton Downtown Redevelopment Project within Tax Increment Financing District No. 2, and take appropriate action, including considering approval of an agreement to arbitrate, in open session as necessary.

Motion by Wells, **Second** by Jackson, to enter into executive session. **Aye:** Nance; Neal; Wells; Denham; Fitch; Jackson. **Nay:** None. **Motion Passed.**

The Authority convened in executive session at 2:16 p.m. and reconvened in regular, open session at 2:52 p.m. Roll call reflected all members present except Means, Sheppard and Madigan.

Motion by Jackson, **Second** by Neal, to authorize the agreements with Dispute Resolution Consultants and Public Service Company of Oklahoma to resolve by binding arbitration the dispute between the City/LEDA and PSO over the amount of costs PSO has billed for the relocation of its electric lines and facilities necessary for the Lawton Downtown Redevelopment Project, with retired Judge Edward Cunningham to serve as the neutral arbitrator at the rate of \$350.00 per hour to be split equally between the City/LEDA and PSO, and authorize the Chairman and Secretary to execute the agreements. **Aye:** Nance; Neal; Wells; Denham; Fitch; Jackson. **Nay:** None. **Motion Passed.**

DISCUSSION ITEMS AND REPORTS

ADJOURNMENT

There being no further business the meeting adjourned at 3:00 p.m.

Motion by Wells, **Second** by Jackson, to adjourn. **Aye:** Neal; Wells; Denham; Fitch; Jackson; Nance. **Nay:** None. **Motion Passed.**