

MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
MAYORS CONFERENCE ROOM
NEW CITY HALL
MAY 17, 2018, 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; Fortenbaugh, Sean; Madigan, David; Sheppard, Ernie.

ABSENT: Jackson, Keith; David Means; Nance, Ron; Neal, Larry.

OTHERS PRESENT: Jerry Ihler, City Manager; Richard Rogalski, Planning Director; Kristin Huntley, Finance Department; Denise Ezell, City Clerk's Office.

INTRODUCTION OF GUESTS

Fitch stated we have a new board member today. Sean Fortenbaugh will be replacing Doug Wells as the Council Representative. I appreciate him taking the time to serve.

BUSINESS ITEMS

1. Consider approving the minutes of April 19, 2018.

Motion by Denham, **Second** by Sheppard, to approve the minutes of April 19, 2018.
Aye: Fitch; Fortenbaugh; Madigan; Sheppard; Denham. **Nay:** None. **Motion Passed.**

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

Huntley stated I have one to Lawn Wizards for \$1,050 and one to Center For Economic Development Law for \$460.00.

Motion by Madigan, **Second** by Sheppard, to approve invoices, requisitions, and all other submitted materials for payment. **Aye:** Fortenbaugh; Madigan; Sheppard; Denham; Fitch. **Nay:** None. **Motion Passed.**

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

Huntley stated at the end of April you had \$707,965.26 in the bank. The receivables totaled \$400,660.62, accrued interest payable was \$244,323.22, and the CCIDA was down to \$1,458,722.13. On the next page you see hotel sales tax was \$6,626.90, sales and use tax \$33,120.98 and interest income was \$246.29. There was a big drop in property tax but we received a big check in May so it will balance out. Under expenses you see the bank service charge and interest expense was \$123,983.46. Total net income for April was a negative \$29,850.21 and your year net income was \$534,839.28.

Sheppard asked are both figures year to date.

Huntley stated yes.

Madigan asked do we anticipate we would ever create a budget for this entity.

Huntley stated we could.

Madigan stated I think this would be a good idea. It gives us a road map for income and expenses.

Denham asked do we know when the matching funds will be paid.

Huntley stated no.

Denham asked do we need to inquire about this since the state is having budget issues.

Huntley stated I will ask Finance Admin to look into this.

Fitch stated they might want to check the dates in prior years to see if we have received the money the same time every year.

Rogalski stated I'm surprised we haven't received it. Normally we have it by now.

Denham asked when is the next payment due to BancFirst.

Huntley stated September.

Fitch stated there has been a rise in the interest rate and the principal will rise every year. It has been tough but we have been able to manage so far. We have received the report on the occupancy of the hotel. A clause in their contract states once they have 60% occupancy the interest will start. The report shows they are at 61% for last year. We did receive a \$90,000 check for the CCIDA loan. For the last 28 days they have averaged 72/73% occupancy. There are 80,000 family members that come through Lawton every year for graduation. That number will raise because they are going to increase their training by about 10,000. Another 380 will be instructors so that will be an influx. They will have a graduation about every weekend. Lots of positive things happening at Fort Sill.

Motion by Denham, Second by Sheppard, to accept the financial report.. **Aye:** Madigan; Sheppard; Denham; Fitch; Fortenbaugh. **Nay:** None. **Motion Passed.**

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

Rogalski stated we had a predevelopment meeting with Median Coffee. This will go in next to the UPS store. We have had a couple other inquires but they haven't come in for their building permit.

Fitch stated Median Coffee should start sometime in October. Warkentin is working with Collett trying to fill those spaces.

EXECUTIVE SESSION:

1. Pursuant to Section 307B3 and C10, Title 25, Oklahoma Statue, consider convening in executive session for the purposes of conferring on matters pertaining to economic development, including financing and the sale and/or acquisition of property with respect to the Lawton Downtown Redevelopment Project and other areas within Lawton, and take appropriate action, if necessary, in open session.

Motion by **Sheppard**, **Second** by **Denham**, to convene into executive session. **Aye:** Sheppard; Denham; Fitch; Fortenbaugh; Madigan. **Nay:** None. **Motion Passed.**

The Authority convened in executive session at 2:20 p.m. and reconvened in regular, open session at 2:50 p.m. Roll call reflected all members present except Means, Nance, Neal, and Jackson.

Fitch stated there is no action to be taken.

DISCUSSION ITEMS AND REPORTS

ADJOURNMENT

There being no further business the meeting adjourned at 2:51 p.m.

Motion by **Madigan**, **Second** by **Fortenbaugh**, to adjourn. **Aye:** Denham; Fitch; Fortenbaugh; Sheppard; Madigan. **Nay:** None. **Motion Passed.**