

MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
2ND FLOOR CONFERENCE CENTER
NEW CITY HALL
JUNE 7, 2012, AT 2:00 P.M.

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

ROLL CALL:

PRESENT: Fitch, Fred; Madigan, David; Means, David; Nance, Ron; Neal, Larry;
Sheppard, Ernest; Wells, Doug.
ABSENT: Denham, David; Zarle, Richard.
OTHERS PRESENT: Larry Mitchell, City Manager; Denise Ezell, City Clerks Office.

INTRODUCTION OF GUESTS

Fitch stated we have Debra Burch from the Chamber, Steve Robinson from the Lawton Constitution and Kimberly Furrh our accountant.

BUSINESS ITEMS:

1. Consider approving minutes of April 26, 2012.

Motion by Means, **Second** by Sheppard, to approve the minutes of April 26, 2012 as written. **Aye:** Fitch; Madigan; Means; Nance; Neal; Sheppard. **Nay:** None. **Abstained:** Wells.
Motion Carried.

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

Fitch asked are there any questions on the invoices?

Wells asked since Batchelor is billing us for half his services is he forgiving the other half?

Mitchell stated the other half is the obligation of the developer.

Wells asked why does this invoices show a balance of \$103,000?

Mitchell stated the developer hasn't paid his portion.

Wells asked this is not LEDA's balance

Mitchell stated no.

Furrh stated your balance is current.

Wells stated this invoice needs to state LEDA is current.

Furrh stated okay.

Nance asked if the developer never pays will Batchelor come back to LEDA for the payment?

Fitch stated at the time of closing there will be an offset as to what Ruhl receives. Collett, Ruhl and Batchelor have worked out an agreement. Part of these fees belong to Collett and not Ruhl.

Wells ask is his normal rate \$500 an hour?

Mitchell stated I believe his normal fee is \$700 or \$800.

Motion by Madigan, Second by Neal, to approve invoices, requisitions, and all other submitted materials for payment. **Aye:** Madigan; Means; Nance; Neal; Sheppard; Wells; Fitch. **Nay:** None. **Motion Carried.**

3. Receive Treasurers Report And Take Action As Deemed Necessary.

Furrh stated this is the financial statement for April. Looking at the Statement of Financial Position as of April 30th you have \$25,351.27 in the bank. The BancFirst line of credit is at \$11,999,747.38. On the next page you see the Statement of Revenue and Expenses for April. The income was \$4,449 from property taxes and your expenses were \$10,000 for demolition and \$2,089 for miscellaneous expenses. We spent more than we brought in for the month of April. The last page is the Project to Date. You have had \$1.3 million in revenue and \$13 million in expenses for a net income of -\$11.9 million.

Motion by Sheppard, Second by Madigan, to accept the Treasurers Report. **Aye:** Means; Nance; Neal; Sheppard; Wells; Fitch; Madigan. **Nay:** None. **Motion Carried.**

ADDENDUM

1. Consider approving a 45 day extension of the letter of intent to CDBL, Inc. to obtain a lease commitment from Northrop Grumman and acceptable financing to undertake the planning, construction and lease of an office complex for use by Northrop Grumman.

Fitch stated the agreement with Mike Brown expires today. The target date for closing on the hotel/conference center is July 31st. I have corresponded with Bruce Wells at Northrop a week ago and he assures me he will have everything he needs for Brown to put a proposal together in three (3) weeks. We are looking at two (2) more weeks. Brown has had the same conservation. I believe they are firmly committed and we need to approve the extension. Brown is waiting on pieces that will impact the cost going up or down. Brown has assured me he can have the proposal back to Northrop in three (3) weeks from the time he receives the information.

Means asked is he going to have his financing in place by then?

Fitch stated yes.

Wells asked would it be appropriate to extend for six (6) months instead of forty-five (45) days so we don't have to keep doing this?

Fitch stated no. We need to keep pressure on Northrop.

Wells stated this appears like nothing is happening. Let's give him enough time to get it taken care of.

Means stated I agree with Fitch. We need to keep pressure on Northrop.

Fitch stated we have had some very detailed conversations and we need to keep the pressure on them.

Wells asked can I talk about this in executive session?

Fitch stated yes. Any other questions.

Motion by Wells, Second by Means, to approve a 45 day extension of the letter of intent to CDBL, Inc. to obtain a lease commitment from Northrop Grumman and acceptable financing to undertake the planning, construction and lease of an office complex for use by Northrop Grumman. **Aye:** Neal; Sheppard; Wells; Fitch; Madigan; Means. **Abstain:** Nance. **Nay:** None. **Motion Carried.**

EXECUTIVE SESSION

1. Pursuant to Section 307B3 and C10, Title 25, Oklahoma Statutes, consider convening in executive session for the purposes of conferring on matters pertaining to economic development, including the purchase/transfer of property, incentive proposals, redevelopment rights, and financing in connection with the Lawton Downtown Redevelopment Project and other development projects under consideration in the City, and take appropriate action in open session as necessary.

Motion by Wells, Second by Neal, to convene into executive session. **Aye:** Neal; Sheppard; Wells; Fitch; Madigan; Means; Nance. **Nay:** None. **Motion Carried.**

The Authority convened in executive session at 2:17 p.m. and reconvened in open session at 3:00 p.m. Roll call reflected Sheppard; Wells; Fitch; Madigan; Means; Nance; Neal.

Fitch stated the Authority convened into Executive Session Pursuant to Section 307B3 and C10, Title 25, Oklahoma Statutes, consider convening in executive session for the purposes of conferring on matters pertaining to economic development, including the purchase/transfer of

property and financing in connection with the Lawton Downtown Redevelopment Project, for the hotel-conference center and the mixed-use commercial retail establishments with no action being taken.

DISCUSSION ITEMS AND REPORTS:

Mitchell stated this is an article in the Oklahoma City paper about the downtown Tulsa project.

ADJOURNMENT

Motion by Sheppard, **Second** by Means, to adjourn. **Aye:** Sheppard; Wells; Fitch; Madigan; Means; Nance; Neal. **Nay:** None. **Motion Carried.**