

**MINUTES**  
**Lawton Economic Development Authority**  
**Regular Meeting**  
**October 19, 2023—2:00 PM**  
**City Hall**  
**3<sup>rd</sup> Floor Conference Room**  
**212 SW 9<sup>th</sup> Street**  
**Lawton, Oklahoma 73501**

Fred Fitch, Chair, called the meeting to order at 2:00 PM. in the 3<sup>rd</sup> floor conference room of City Hall.

**ROLL CALL:**

**PRESENT:** Fred Fitch, David Means, Larry Neal\*, Randy Warren, David Madigan, Ron Nance

**ABSENT:** Ernest Sheppard (excused), George Gill (excused), Jason Hensley (excused)

**OTHERS PRESENT:** Joe Don Dunham, Finance Director; Greg Gibson, City Attorney's Office; Tammy Branstetter, City Clerk's Office; Kim McConnell, Lawton Constitution

\*Arrived at 2:03PM

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**STATEMENT OF COMPLIANCE WITH OKLAHOMA OPEN MEETING ACT, 25 O.S. 301-314**

Meeting notice and agenda were posted by the City Clerk's Office as required by State Law.

**INTRODUCTION OF GUESTS**

None.

**BUSINESS ITEMS**

1. Consider approving invoices, requisitions, and all other submitted materials for payment and take action as deemed necessary. - **STRICKEN**
2. Receive Financial Report(s) and take action as deemed necessary. - **STRICKEN**
3. Consideration and action upon a resolution authorizing and approving the financial advisor acting on behalf of the Lawton Economic Development Authority (herein the "Authority") to prepare and circulate informational and bid packets regarding the potential acquisition, construction, equipping, renovating, and improving of certain capital improvement projects to be located within the City of Lawton, Oklahoma (the "City") based upon the inducement resolution of the City authorized September 12, 2023 contemplating the capital improvement projects; authorizing and directing the execution of the documents relating thereto; approving and authorizing officers of the Authority to take action and execute all related instruments and documents and containing other provisions relating thereto; and the taking of other action with respect thereto.

A copy of Resolution 23-04 may be obtained from the City Clerk's Office upon request.

Joe Don Dunham, Finance Director, provided background information regarding this item. Dunham advised that on September 12, 2023, the City Council authorized him to do an inducement resolution to borrow money for four projects. After meeting with the bond attorney, it was determined that the following three projects would be best handled through the Authority:

- 1) widening of west Gore Boulevard from 67<sup>th</sup> Street to 82<sup>nd</sup> Street (\$5.3 million)
- 2) reconstruction of Goodyear Boulevard from SW Lee Boulevard to NW Cache Road (\$9.2 million)
- 3) construction of landfill cells 6 & 7 (\$7.5 million)

Dunham said the financial advisor will need the Authority's blessing before he can begin putting together bid packets for these projects.

Means asked why the Authority is being asked to do this.

Dunham noted that the City of Lawton cannot borrow money for longer than one year unless there is a vote of the people. However, authorities have the capacity to borrow money for longer periods of time. The bond attorney recommended the three projects be handled specifically through the Lawton Economic Development Authority.

Madigan asked why these projects cannot be paid with CIP funding.

Warren said CIP funding is not always immediately available. Therefore, there is still a need to borrow money to get these projects started now.

Chairman Fitch asked if the Authority would have any sort of legal obligation to pay back loans.

Dunham said any debt incurred is guaranteed to be paid back by CIP dollars once they become available – the Authority would not be held liable to pay back debt.

Nance asked what rate these bonds are likely to be at.

Dunham said he cannot say for sure at this point, but he believes the rate will likely be around 4-5%.

Neal asked if the loan from the bank would be in the form of a note, or if bonds would be issued.

Dunham said they would issue revenue bonds based on the sales tax revenue.

Warren noted that the Authority would not be expected to oversee these projects, but rather serve as a financial flow-thru for the projects.

Chairman Fitch asked who would be held responsible financially if the sales tax (CIP revenue) does not come in at the rate it was anticipated to come in and the loan(s) end up defaulting.

Dunham said the City of Lawton would be held responsible.

Madigan asked what the term of the loan is expected to be.

Dunham said these loans may only extend for the duration of the CIP, and the CIP ends in 2035.

Chairman Fitch noted that these loans would become a part of the Authority's financials. He is concerned this may pose an issue if the Authority needs to borrow money for one of their own projects in the future.

Seeing as how the City would be the only entity held financially responsible for the loans, Dunham said he does not see them negatively affecting the Authority in their future borrowing endeavors.

Warren noted that any interest incurred from funds being held with the trustee bank would go to the Authority.

Dunham said the incurred interest would have to go towards the project – not the Authority.

Nance said the three projects are all great projects that are much needed.

Madigan asked for more detail on the landfill project.

Dunham said the City of Lawton is running out of space at the landfill, so they need to dig additional cell sites.

Chairman Fitch asked how soon the City of Lawton would need this resolution approved.

Dunham said the City of Lawton needs this approved as soon as possible so the bid packets required for the projects can be prepared.

Chairman Fitch asked Authority members if they wish to meet with the bond attorney in person.

Nance said he feels comfortable moving forward with approving the resolution.

Chairman Fitch said he would like for language to be added to the resolution stating the Authority will not be held liable for any incurred debt.

Madigan noted the resolution refers to an assistant secretary. He asked if the Authority has an assistant secretary.

Chairman Fitch said he does not believe the Authority has an assistant secretary. He asked staff to verify with Lynne Driver's office why this language was added and to ask them to take it out if it's not needed.

Madigan noted that the resolution the Authority is being asked to approve is only allowing for a bid packet to be constructed and sent out.

Dunham said that is correct – both the Authority and City Council would have to approve the winning bidder and project amount before any money can be borrowed.

**Motion by Madigan, Second by Warren**, to approve **Resolution 23-04**, and to direct the bond counsel and financial advisor to create a memorandum of understanding between the Authority and the City of Lawton stating the City of Lawton will backstop all loans. **AYE:** Neal, Fitch, Warren, Madigan, Means, Nance. **NAY:** None. ***MOTION PASSED.***

4. Consider approving a revised Professional Services Agreement to fill the vacant position of Executive Director for the Lawton Economic Development Authority.

A copy of the revised Professional Services Agreement was provided to Authority members at the meeting. A copy of the revised Professional Services Agreement may be obtained from the City Clerk's Office upon request.

Chairman Fitch said this Agreement was drafted by Dan Batchelor and Lisa Harden with the Center for Economic Development Law. He noted the Executive Director will be housed at the LEDC Office. The Executive Director will work for both the Authority and the LEDC, with the Authority having the larger portion of control over this position. A large portion of the Executive Director's job will be handling revenue coming in from the various TIF districts.

**Motion by Madigan, Second by Warren**, to approve the revised Professional Services Agreement to fill the vacant position of Executive Director for the Lawton Economic Development Authority. **AYE:** Neal, Fitch, Warren, Madigan, Means, Nance. **NAY:** None. ***MOTION PASSED.***

5. Consider approving the Annual Meeting Notice for 2024.

A copy of the 2024 Annual Meeting Notice for the Authority may be obtained from the City Clerk's Office upon request.

**Motion by Means, Second by Warren**, to approve the Annual Meeting Notice for 2024. **AYE:** Neal, Fitch, Warren, Madigan, Means, Nance. **NAY:** None. ***MOTION PASSED.***

## **ADJOURNMENT**

**Motion by Warren, Second by Nance**, to adjourn the October 19, 2023 meeting. **AYE:** Neal, Fitch, Warren, Madigan, Means, Nance. **NAY:** None. ***MOTION PASSED.***

There being no further business, the meeting adjourned at 3:05 PM.