

MINUTES OF THE FORT HARRISON REUSE AUTHORITY
BOARD MEETING

JULY 30, 2007

The FHRA Board met in public session at 9120 Otis Avenue, FHRA conference room, Lawrence, IN at 7:30 A.M.

FHRA Board Members Present:

Mr. Dennis Charles
Ms. Ann Lathrop
Ms. Cheryl Sullivan
Mr. Quake Pletcher

FHRA Board Member Absent:

Mr. Carl L. Drummer

FHRA Staff

Mr. Ehren Bingaman
Ms. Doris Combs

Members of the Public:

Mr. Phil Genetos, Ice Miller
Ms. April Pyatt, Ice Miller
Mr. Joe Wiesinger, Shrewsberry & Associates
Mr. Dennis Dye, Browning
Mr. Brett Dodd, RQAW
Ms. Courtney Schaafsma, Crowe Chizek
Mr. Scott Casey
Mr. Adam Horst, Lawton Loop HOA

A copy of the public agenda is attached.

Meeting was called to order at 7:30.

Mr. Charles welcomed Mr. Quake Fletcher a new member of the FHRA Board.

1. The first item on the agenda was the approval of the June 2007 minutes. Mr. Charles called for a motion to approve the minutes. Ms. Sullivan made the motion and Ms. Lathrop seconded. The vote was unanimous to approve.

2. The second item on the agenda was consideration of bid for demolition of structures. Mr. Bingaman stated FHRA put out for public bid demo of four (4) structures, including PX/commissary, which was a rebid from our first bid process. Seven bids solicitations were received. The lowest bid was rejected by staff and counsel because it was determined to be non-responsive. It is recommended that the second lowest bidder be awarded to Casey Bertram for \$569,000. The bid also achieves our minority and women owner's goal of 12% and 8% respectively.

Ms. Lathrop moved that the bid be accepted; Ms. Sullivan seconded. The vote was unanimous to award the contract to Casey Bertram.

3. The third item on the agenda was an update by Dennis Dye, Browning, on the progress for the Lawrence Village at the Fort to include:

- What's completed?
- What's Next?
- Marketing
- RFP Status
- Funding

(See attachment.)

Mr. Bingaman stated that the sanitary capacity is impacted by the infiltration of storm water because the pipes are old. There are potentially a lot of manhole upgrades that are relatively inexpensive. As far as utilities FHRA is trying to figure out where the greatest infiltration is occurring; FHRA is also trying to figure out what impact is tied to the Reuse area. There is definition work that still needs to go on and FHRA wants to take care of what is their responsibility so they don't impact someone else.

Ms. Sullivan asked if the board could receive an update at the next meeting.

Ms. Sullivan asked if the retail projects that were being considered were consistent with the overall Master Plan. Mr. Dye replied yes.

Ms. Lathrop asked about access to the handicapped if the welcome center was going to be in the basement of Building 28. Mr. Bingaman stated FHRA had a lift on the outside of the building to bring handicap persons into building and an elevator which services all three floors to include the basement.

Mr. Charles wanted to know if residential market conditions are still unfavorable for long term when does board look at timeframe for capital improvement to rethink issue.

4. The fourth item on the agenda was discussion of VLB letter. On April 23, 2007, FHRA board invited Ms. Basham and her team to give an update on where things were on the project. FHRA and the City were concerned about Ms. Basham reaching the

performance goals by 2008. Ms. Basham and her team provided information to the board including lawsuits pending by condo owners; formal notification when VLB would receive financing and formal notification when contract was executed with contractor. To date we have not received any information on these issues. At the last board meeting we discussed another letter and charged counsel and staff with looking at other options.

Ms. Lathrop stated she would like for Ms. Basham to come to next board meeting and talk with the board members since it has been three months and nothing has been done. It is important that it be Ms. Basham since people who spoke on her behalf have not yet been contracted and I'm not sure how they can come and speak on her behalf when she has no formal relationship with them.

Mr. Bingaman will notify Ms. Basham and ask her to be at next board meeting.

Ms. Sullivan stated that in addition to each of the items Ms. Basham talked about at last board meeting was the timeline. It was presented that completion would be May 2008; the original agreement was to have project completed by March 2008. Ms. Sullivan stated she would like to have the revised timeline as well and it appears that no progress has been made on the property.

Ms. Lathrop wanted to know if Ms. Basham's inability to complete that project had come up at all in development discussions on the Village Center Project.

Mr. Dye replied no.

Ms. Sullivan clarified that the if the request was to have the principal of VLB come before the FHRA board and give an update.

5. Last item on agenda is Executive Director update. Mr. Bingaman stated FHRA is wrapping up the Commissary/PX project. FHRA has heard great reviews and the occupants are happy with the building. Sales for Commissary/PX are up 40%. Mr. Bingaman recognized Shrewsbury and Associates, to include Joe Wiesinger and Ana Johnston. FHRA issued \$11.7 million with bonds in October. FHRA will have available for use in demolition \$500,000-600,000 which means FHRA did not exceed any contingencies.

At the August board meeting plan to consider the audit financial statement for 2006.

FHRA received a letter from Karen Powers, President, Lawrence Fort Harrison Development Corporation. In the early days of Reuse Authority, the CDC was developed as a solution to work on Harrison Square Project and Ivy Tech. At that time there were only three board members, one appointed from the Authority, one from Lawrence City Council and one appointed by the Mayor. In December 2003, the board makeup changed and became a body of seven – four appointed from City Council, two from FHRA, and one from the Mayor. In the last year this group has worked hard, but no progress has

been made. The CDC decided it was time to make changes and voted to become a non-profit, free from political appointments. FHRA was notified by letter of the change. The CDC will focus on the Franklin Road corridor. Lawrence will now have three entities working in the City – CDC on Franklin Road; Reuse Authority on the Fort; Redevelopment Committee focusing on Pendleton Pike.

Ms. Lathrop asked if FHRA still had two appointments on the CDC. Mr. Bingaman replied yes.

A member of the audience, Adam Horst who lives on Lawton Loop, asked if the board would consider reversing AV funds to the City of Lawrence to relieve the property tax burden on the residents of Lawrence.

Mr. Charles stated the board has no official position at this time on the issue but will take it into consideration.

The meeting adjourned at 8:20.