

MINUTES OF THE FORT HARRISON REUSE AUTHORITY  
BOARD MEETING

The FHRA Board met in public session at 9120 Otis Avenue, FHRA conference room, Lawrence, IN at 7:30, November 27, 2006.

FHRA Board Members Present

Mr. Carl L. Drummer  
Mr. Dennis Charles  
Ms. Ann Lathrop  
Ms. Cheryl Sullivan

FHRA Board Member Absent

Mr. Paul Ricketts

FHRA Staff

Mr. Ehren Bingaman  
Ms. Doris Combs

Members of the Public

Mr. Phil Genetos, Ice Miller

A copy of the public agenda is attached.

Meeting was called to order at 7:30.

1. The first item on the agenda was the approval of the October 2006 minutes. Mr. Drummer called for a motion to approve the minutes. Ms. Lathrop made the motion and Ms. Sullivan seconded. The vote was unanimous to approve.

2. The second item was consideration of agreement with Browning Investments. Mr. Bingaman stated that in August 2006, FHRA selected Browning Investments as our real estate development partner for the development of the Lawrence Village Center. FHRA and Browning have developed an agreement. The terms run for about five years and is \$500,000. Browning does not have an equity interest inside the Village Center. The contract calls for 2% at closing; an additional 2% upon completion of the project.

Ms. Sullivan asked about 15% WMBE and would quarterly reports be provided. Mr. Bingaman stated yes.

Mr. Drummer called for motion to accept the Browning Contract. Mr. Charles made the motion and Ms. Lathrop seconded. The vote was unanimous to approve.

3. The third item on the agenda was the FHRA annual operating budget for 2007. Ms. Lathrop stated FHRA was not required to bring a budget before the board, but felt it was a good practice. And with the audit it is a good thing for the auditors to see that FHRA does have a budget and that the board does look at it. It also gives Mr. Bingaman the ability to look at the parameters that the board is giving FHRA Executive Director. Ms. Lathrop stated that it is also important to note that right now from a land sale prospective, FHRA only has one that is contemplated and know about.. But it is anticipated that FHRA will be running in a deficit position next year. FHRA has the cash to do it; but it is something that the board made a decision not to aggressively pursue land sales until the agreement with Browning is signed.

Mr. Drummer wanted to know how much grass cutting FHRA was still doing. Mr. Bingaman replied mainly the acreage of the Village Center and this year just the perimeters had been mowed and bush hogged.

Mr. Dennis stated it looked like as though in payroll taxes that FICA and State tax is being included. When the Board is given budget to actual could that be adjusted so that the payroll taxes are the actual taxes before FICA and state.

Mr. Drummer asked about our elevator contract.

Mr. Dennis asked if FHRA legal expenses were mostly for closing. Mr. Bingaman replied that FHRA paid a retainer fee to Ice Miller each month.

Mr. Drummer called for motion to accept FHRA 2007 budget. Ms. Lathrop made the motion and Mr. Charles seconded. The vote was unanimous to accept the budget for 2007.

Mr. Bingaman recommended there not be a formal board meeting in December; but that board members tour the commissary/PX facility.

The second PUD draft will be presented next week for the Village Center.

An item that will be brought before the board in January is FHRA's liquor licenses. The Garrison (state park) approached FHRA and wanted to buy the licenses. This was discussed with Browning and one idea was to loan the licenses to the Garrison for a two year period with a guarantee that they would be returned to FHRA.

January meeting scheduled for 11:00, January 8, 2007, to elect officers. FHRA board members will then have lunch and tour the new Commissary/PX facility.

