

CHICKASHA MUNICIPAL AUTHORITY

AGENDA
LOCATION OF MEETING
CITY HALL COUNCIL CHAMBERS
117 NORTH FOURTH STREET
CHICKASHA, OKLAHOMA 73018

TIME OF MEETING
6:30 PM

DATE OF MEETING
AUGUST 21, 2023

All items on this agenda, including but not limited to any agenda item concerning the adoption of any ordinance, resolution, contract, agreement, or any other item of business, are subject to amendment, including additions and/or deletions. This rule will apply to every individual agenda item without exception, and without providing this same amendment language with respect to each individual agenda item. Such amendments should be rationally related to the topic of the agenda item, or the governing body will be advised to continue the item.

The governing body may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the governing body may refer the matter to its City/Trust Manager, staff, attorney or to the recommending board, commission or committee.

1. **Call to Order / Roll Call.**
2. **Consent Docket:**
 - a. Acceptance of the Minutes of the August 7, 2023 regular meeting.
 - b. Acceptance of the Claims List.
3. **Discussion/Approval of Items Removed from Consent Docket:**
4. **Consideration and Discussion Items:**
 - a. Discussion, consideration, and possible action to authorize an extended lease agreement with It's a Hitt Corp. for the Rock Island Train Depot

located at 100 E. Chickasha Avenue, Chickasha, Oklahoma for use as a Special Events Venue.

5. Motion for Adjournment.



City of
CHICKASHA

Meeting Type: CMA Agenda 8-21-2023

Meeting Date: 8/21/2023

Department: City Clerk

Agenda Item No. 2.a.

AGENDA ITEM: Acceptance of the Minutes of the August 7, 2023 regular meeting.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Accept the Minutes of the August 7, 2023 regular meeting.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:

Susan M. McDaniel, City Clerk

Meeting Date:

August 21, 2023

Fund	Account	Amount
(To)		
FUND	ACCOUNT	AMOUNT
(From)		

V. ATTACHMENTS:

1. CMA 8-7-2023

August 7, 2023

The **REGULAR** meeting of the **CHICKASHA MUNICIPAL AUTHORITY** was held in the council chambers in city hall on the 7th day of August 2023 as specified by advance public notice with a properly prepared agenda stating the subject matter or matters to be discussed at said meeting. Chairman Mosley called the meeting to order at 7:20 p.m.

ITEM 1.

Call to Order / Roll Call:

CHAIRMAN AND TRUSTEES

PRESENT:

Chris Mosley, Chairman
Zachary Grayson, Vice Mayor
Kelly Boyd
Oscar Nelson
Kea Ginn
Georgianne Hebblethwaite
R. P. Ashanti-Alexander
Brian Gerdes

ABSENT:

Rick Croslin

STAFF

PRESENT:

Keith Johnson, City Manager
Amanda Mullins, City Attorney
Rachel Bernish, Asst. City Manager
Susan M. McDaniel, City Clerk
G. G. Music, Interim Police Chief
Spencer Winzenried, Parks & Rec. Director
Robert Brooks, Staff Accountant
Lille Huckaby, Library Director
Tony Samaniego, Fire Chief
Jim Crosby, Public Works Director
Darren Martin, Chief Building Inspector
Elaine Jensen, Finance Director
Shae Mortimer, Marketing and Civic Engagement Manager

ITEM 2.

Consent Docket: ITEM 2a thru ITEM 2b

ITEM 2a.

Acceptance of the Minutes of July 17, 2023, regular meeting.

ITEM 2b.

Acceptance of the Claims List.

*Motion by Trustee Hebblethwaite, second by Trustee Ashanti-Alexander to approve Item 2a thru Item 2b.

Roll call vote:

Ayes:” Nelson, Ginn, Hebblethwaite, Grayson, Boyd, Ashanti-Alexander, Gerdes, and Mosley.

“Nays:” None

“Abstain:” None

Motion carried. 8-0

ITEM 3. **Discussion / Approval of Items Removed from Consent Docket:**

No action taken on Item 3.

ITEM 4. **Discussion and Consideration Items:**

ITEM4a. **Discussion, consideration, and possible action to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc) for 5.173773 acres, more or less, in Section 28, Township 7 North, Range 7 West, Grady County, Oklahoma.**

*Motion by Council Member Hebblethwaite and second by Council Member Nelson to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc.) for 5.173773 acres, more or less in Section 28, Township 7 North, Range 7 West, Grady County, Oklahoma.

Roll call vote:

“Ayes:” Hebblethwaite, Grayson, Boyd, Ashanti-Alexander, Gerdes, Nelson, Ginn, and Mosley.

“Nays:” None.

“Abstain:” None.

Motion passed. 8-0

ITEM4b. **Discussion, consideration, and possible action to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc) for 4.849762 acres, more or less, in Section 34, Township 7 North, Range 7 West, Grady County, Oklahoma.**

*Motion by Council Member Hebblethwaite and second by Council Member Ginn to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc.) for 4.849762 acres, more or less in Section 34, Township 7 North, Range 7 West, Grady County, Oklahoma.

Roll call vote:

“Ayes:” Hebblethwaite, Grayson, Boyd, Ashanti-Alexander, Gerdes, Nelson, Ginn, and Mosley.

TIME 7:20 P.M.

“Nays:” None.
“Abstain:” None.
Motion passed. 8-0

ITEM4c. Discussion, consideration, and possible action to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc) for 1.104728 acres, more or less, in Section 27, Township 7 North, Range 7 West, Grady County, Oklahoma.

*Motion by Council Member Nelson and second by Council Member Hebblethwaite to approve an oil and gas lease with Petroven, Inc., (Principal of Heller Oil, Inc.) for 1.104728 acres, more or less in Section 27, Township 7 North, Range 7 West, Grady County, Oklahoma.

Roll call vote:

“Ayes:” Hebblethwaite, Grayson, Boyd, Ashanti-Alexander, Gerdes, Nelson, Ginn, and Mosley.
“Nays:” None.
“Abstain:” None.
Motion passed. 8-0

ITEM 5. Motion to Adjourn.

*Motion by Trustee Ashanti-Alexander, second by Trustee Hebblethwaite to adjourn.

Meeting adjourned.

TIME: 7:23 PM

Approved this 21st day of August 2023.

Chris Mosley, Chairman

(ATTEST)

Susan M. McDaniel, CMC
City Clerk



City of
CHICKASHA

Meeting Type: CMA Agenda 8-21-2023

Meeting Date: 8/21/2023

Department: Finance

Agenda Item No. 2.b.

AGENDA ITEM: Acceptance of the Claims List.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Accept the Minutes of the August 7, 2023 regular meeting.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:

	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: August 21, 2023	(From)		

V. ATTACHMENTS:



City of
CHICKASHA

Meeting Type: CMA Agenda 8-21-2023

Meeting Date: 8/21/2023

Department: Administration

Agenda Item No. 4.a.

AGENDA ITEM: Discussion, consideration, and possible action to authorize an extended lease agreement with It's a Hitt Corp. for the Rock Island Train Depot located at 100 E. Chickasha Avenue, Chickasha, Oklahoma for use as a Special Events Venue.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Authorize an extended lease agreement with It's a Hitt Corp. for the Rock Island Train Depot located at 100 E. Chickasha Avenue, Chickasha, Oklahoma for use as a Special Events Venue.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:

Fund	Account	Amount
(To)		
FUND	ACCOUNT	AMOUNT
(From)		

Meeting Date:
August 21, 2023

V. ATTACHMENTS:

1. Depot HITT Agreement Revised

LEASE AGREEMENT

This Lease Agreement ("the Lease") entered into this _____ day of _____, 20____, by and between the Chickasha Municipal Authority, a Public Trust Authority having the City of Chickasha as its sole beneficiary (hereinafter called the "LANDLORD"), and It's A Hitt Corp. (hereinafter called the "TENANT").

1. **The Leased Premises.** For and in consideration of the prompt payment of the rent by TENANT as hereinafter provided and the performance by the TENANT of the covenants hereinafter set forth, LANDLORD does hereby lease to TENANT, and TENANT does hereby lease from LANDLORD, that certain tract of real property commonly known as the Rock Island Train Depot located at 100 E. Chickasha Avenue, Chickasha, Oklahoma.

2. **Use of Leased Premises.** TENANT shall have the right to use the Leased Premises as a Special Events Venue.

3. **Lease Term.** The term of this Lease shall be thirty (30) years and shall commence on the 1st day of September, 2023, and shall end on the 30th day of June, 2053 at 11:59 PM as provided herein. Provided that either Party may terminate this Lease Agreement, without cause, upon one-hundred and twenty (120) days written notice to the other Party.

4. **Rent.** The rent for the property shall be five percent (5%) of gross revenue earned from any special event rental. The rent shall be paid within 30 days after TENANT receives payment in full. TENANT shall be required to properly maintain the property as more specifically set forth herein.

5. **Net Lease.** This Lease is a net lease and TENANT shall pay rent to LANDLORD absolutely net throughout the Lease Term, free of any charges, assessments, impositions or deductions of any kind, and without abatement, deduction or set off other than as expressly provided herein. TENANT shall pay all operating costs associated with and relating to the possession, occupancy and operation of the Leased Premises. Under no circumstances or conditions, whether now existing or hereafter arising, or whether within or beyond the present contemplation of the parties, shall LANDLORD be expected or required to make any payments of any kind whatsoever, or be under any other liability or obligation hereunder other than as expressly and specifically provided herein.

6. **Maintenance and Improvements.** TENANT has inspected the Leased Premises and acknowledges that the Leased Premises are being leased in its current "AS IS" condition. LANDLORD shall have no obligation of any nature to maintain the Leased Premises or to make any improvements of any nature, with the exception that Landlord will maintain the HVAC unit subject to sufficient appropriations by the Chickasha Municipal Authority Trustees.

7. **Utility Charges.** In addition to the rent, TENANT shall pay all water, gas, electric services, and solid waste disposal charges which shall be billed directly to the TENANT. Promptly upon execution of this Agreement TENANT shall make arrangements with the supplier of each of the above-named utility services for inception of service in TENANT's name as of the commencement

date of this agreement as stated in paragraph 3 above. TENANT shall also be responsible for any damage to any utility equipment or system resulting from TENANT's use of the property.

8. Taxes. TENANT during the lease term shall be responsible for payment of any and all:

- a. Real and personal property, ad valorem taxes or other tax levied in lieu of real property taxes, if any
- b. Municipal taxes, assessments or similar charges, if any, and
- c. All other taxes, assessments or governmental charges levied or assessed against the building, the land, or any other improvements, fixtures or personal property located upon the leased premises, if any.

9. Insurance. TENANT shall be required to secure general liability insurance at TENANT's sole expense in amounts not less than the amounts of the maximum liability imposed upon political subdivisions under the Governmental Tort Claims Act, 51 O.S. §151 et seq. LANDLORD shall be named as an additional insured on the policy and TENANT shall provide proof of insurance showing said policy to be in effect at all times during the term of this Lease and any renewals hereof. The certificate of insurance provided will contain a statement requiring the insurance carrier to provide the LANDLORD ten (10) days written notice prior to cancelation of coverage. Statements such as "will endeavor" and "but failure to notify owner shall impose no obligation or liability of any kind upon the company" shall not be allowed. The TENANT shall further furnish LANDLORD renewal certificates or copies of renewal policies on or before the expiration date of any policy set out within this paragraph with said coverages to be in full force and effect during the entire lease term covered by this lease agreement. TENANT shall at its sole expense provide workman's compensation insurance covering all persons employed by TENANT in connection with TENANT's operations and occupation of the leased premises under this lease agreement and any amounts required by law. All insurance required herein shall be issued by insurance companies licensed to do business in the State of Oklahoma. LANDLORD shall have no responsibility to carry any insurance coverage on the real property, on the physical structures, or on any of the personal property located upon the Leased Premises.

10. Quiet Enjoyment. LANDLORD covenants that TENANT shall peacefully and quietly have, hold and enjoy the property for the agreed term so long as TENANT is not in default hereunder.

11. Condition of the Property. TENANT shall have the right to thoroughly inspect the property with its maintenance crew before the signing of the Lease. At the time of the signing, TENANT will have inspected and know the condition of the property and shall accept the property in its "AS IS" condition on the commencement of the term of this Lease.

12. Use of Property. TENANT hereby agrees to use and occupy the property as a special events venue only. The property shall not be used for any other purpose during the term of this Lease without the prior written consent of the LANDLORD.

13. Care of Property/Improvements. TENANT hereby agrees to keep the facilities, grounds and appurtenances in a clean, safe and sanitary condition and in good condition and repair.

TENANT shall pay for any maintenance and upkeep on the facility including the replacement of any broken lights. TENANT shall commit and suffer no waste to be committed in the property, and no material change, improvement, or alteration shall be made without the prior consent of the LANDLORD. All repairs, maintenance, alteration, and improvements shall be the sole responsibility of TENANT. All repairs, maintenance, alteration, and improvements shall be made in good and workman like manner, using and incorporating new materials. Additionally, all said improvements, construction, alterations, and repairs shall be made in conformance with any and all City, State and Federal rules, regulations and building codes, including compliance with the Americans with Disabilities Act.

Pursuant to Oklahoma Statutes Title 61 Section 1, TENANT agrees that prior to any improvement, construction, alteration, and/or repair to the Leased Premises, TENANT will require a statutory bond to ensure the payment of all indebtedness a contractor incurs for the contractor's subcontractors and all supplies of labor, material, rental of machinery or equipment, and repairs of and parts for equipment the contract requires the contractor to furnish. TENANT agrees that prior to any improvement, alteration, construction, and/or repair on the Leased Premises, TENANT will obtain any necessary permit(s), comply with City inspections and pay any standard permit fee applicable to construction in the City, if any.

14. Hazardous Materials. Tenant shall not cause or permit any Hazardous Materials to be brought upon, kept or used in or about the building or the leased premises by the Tenant, its agents, employees, contractors or invitees.

15. Indemnification of LANDLORD. TENANT will indemnify, defend and hold harmless LANDLORD from any and all claims, demands, causes of action, or damages which result from TENANT's use of the Leased Premises or from any activities conducted thereon.

16. Damage to or Destruction of Property. If the property shall be damaged or destroyed by fire or by the elements, or other causes so as to render the property unfit for use, this Lease may be terminated at the option of either LANDLORD or TENANT. In the event of a partial damage not rendering the property unfit for use, LANDLORD shall have the sole and exclusive decision whether to terminate the Lease or to require TENANT to make necessary repairs to restore the property to its former condition.

17. Inspection. LANDLORD shall have the right upon reasonable notice, but not less than one (1) days notice and at reasonable hours to enter the property for inspection and to make such repairs and alterations as may be deemed necessary or desirable by LANDLORD for the safety and maintenance of the property. Provided, however, LANDLORD shall have no duty to make any repairs or alterations.

18. Surrender of Property. At the expiration of the Lease term, TENANT shall quit and surrender the property hereby demised in as good a state and condition as it was at the commencement of the Lease, reasonable use and wear thereof and damage by the elements excepted.

19. Default. If any default is made in the payment of rent, or any part thereof, at the times herein-above specified, or if any default is made in the performance of or compliance with any other

term or condition hereof, this Lease shall terminate and be forfeited, and LANDLORD may re-enter the property and remove all persons therefrom. TENANT shall be given a written notice of any default or breach, and termination and forfeiture of the Lease shall not result if within ten (10) days TENANT has corrected the default or breach or has taken some action reasonably likely to effect such correction within a reasonable time.

20. Abandonment. If at any time during the term of this Lease TENANT abandons the property, or any part thereof, LANDLORD may, at LANDLORD's option, enter the property by any means without being liable for any prosecution, and this Lease shall be terminated between the parties. If LANDLORD's right to re-enter is exercised following abandonment of the property or due to default by TENANT then LANDLORD may consider any personal property or improvements belonging to TENANT and left on the property to have been abandoned, in which case, LANDLORD may dispose of all of such personal property in any manner LANDLORD shall deem proper, and is hereby relieved of all liability for doing so.

21. Assignment and Sub-letting. TENANT shall not assign this Lease nor sub-lease the property without the prior written consent of the LANDLORD.

22. Compliance With Ordinances and Regulations. TENANT agrees and understands that the leased premises are owned by the Chickasha Municipal Authority, a Public Trust Authority having the City of Chickasha as its sole beneficiary and lie within the corporate limits of the City of Chickasha. TENANT agrees to comply with all ordinances and regulations of the City of Chickasha as well as all state and federal laws and regulations.

23. Discharge of Liens.

a. *Specific Covenant.* TENANT will not create or permit to be created or asserted or to remain any lien, encumbrance or charge (levied on account of any Tax or any mechanic's, laborer's or materialman's lien) against the Land, the Leased Premises or any part thereof. Any Tax may, however, after the same becomes or is asserted to be a lien on the Land or any part thereof, be paid or contested in accordance with Section 23 (c) hereof, and any asserted mechanic's, laborer's or materialman's lien may be discharged in accordance with Section 23 (b) hereof.

b. *Discharge of Liens.* If any mechanic's, laborer's or materialman's lien shall at any time be filed against the Land or any part thereof, the Buildings or the Leased Premises, TENANT will cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If TENANT shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, LANDLORD may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. Any amount so paid by LANDLORD and all costs and expenses incurred by LANDLORD in connection therewith, together with interest thereon at the rate of twelve percent (12.00%) per annum from the respective dates of LANDLORD's making of the payment or incurring of the cost and expense shall constitute Additional Rent payable by TENANT under this Lease and shall be paid by TENANT to LANDLORD on demand.

c. *Contesting Liens.* Notwithstanding the foregoing, TENANT shall not be required to

pay or discharge any such mechanic's lien so long as TENANT shall in good faith proceed to contest the same by appropriate Legal Proceedings; provided, however, that TENANT shall give written notice to LANDLORD of TENANT's intention to contest the validity of such lien. If such lien shall be reduced to judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, then in that event TENANT shall pay and discharge said judgment forthwith and failing this LANDLORD (in addition to the remedies otherwise provided herein) shall have the remedies provided in preceding Section 23 (b) hereof.

24. Captions. The captions, headings and arrangements used in this agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

25. Number and Gender of Words. Whenever the singular number is used herein, the same shall include the plural where appropriate, and vice versa, and words of any gender shall include each other gender where appropriate.

26. Notices. Each notice, demand, request or other communication required or permitted hereunder shall be in writing and shall be deemed delivered if delivered in person, if mailed by United States Certified Mail, Return Receipt Requested, postage prepaid, or private contract carrier against signed delivery receipt, on the date evidenced by the signed receipt or the date upon which the postal service or carrier service certifies that delivery has been refused by the addressee or is otherwise deemed impossible, addressed to the party to be notified at the address stated below:

if to the TENANT,

It's A Hitt Corp.

ATTN: _____

if to the LANDLORD,

Chickasha Municipal Authority

ATTN: Trust Manager

117 N. 4th Street

Chickasha, Oklahoma 73018

27. Governing Law/Venue. This agreement is being executed and delivered in the State of Oklahoma, and the laws of such state shall govern the validity, construction, enforcement and interpretation hereof, and the obligations, liabilities, rights, remedies, powers and privileges of the parties hereto. Venue shall be in the District Courts of Grady County, Oklahoma.

28. Time of the Essence. It is expressly agreed by the parties hereto that time is of the essence with respect to this Lease and all terms and provisions herein.

29. Entire Agreement. This Lease constitutes the entire agreement between the parties and may not be modified or amended except by written instrument executed by both parties.

30. Binding Effect. This Lease shall be binding on the parties hereto and their respective heirs, representatives, successors and assigns.

31. Attorney Fees. In the event that either the LANDLORD or the TENANT is required to resort to legal proceedings or to incur expenses of any kind or nature in the enforcement of their rights hereunder, then in such event, the successful party shall have the right and the losing party shall be liable in damages for all reasonable attorney fees and expenses incurred by the successful party in the enforcement of any of their respective rights hereunder.

32. Joint Preparation. This Lease Agreement is to be deemed to have been prepared jointly by the parties hereto after arms-length negotiations, and any uncertainty or ambiguity existing herein shall not be construed against any party on the ground that one party or the other drafted some or all of this Lease Agreement or any related document.

Executed the date and year first written herein above.

LANDLORD:

CHICKASHA MUNICIPAL AUTHORITY

ATTEST:

Secretary

By _____
Chairman

TENANT:

IT'S A HITT CORP.

ATTEST:

Secretary
(seal)

By: _____
President