

April 6, 2017

Mr. Norman McNickle
City Manager
City of Stillwater
PO Box 1449
Stillwater, OK 74076

RE: Building Improvements to Dining-Social Hall at Stillwater Community Center
Letter of Intent

Dear Mr. McNickle:

Over the past several weeks, Friends of Stillwater Community Center, Inc. ("the FOSCC"), the Stillwater Community Center Foundation (the "SCC Foundation"), and City of Stillwater staff have discussed in good faith the need for building improvements to the dining and social hall of the Stillwater Community Center ("SCC"), where Project Heart currently meets and conducts its activities. Those involved in these discussions firmly believe that if this portion of the SCC can be made more marketable, its use will be increased, and will generate revenue that is not currently being realized. None of the improvements will affect the contract between the City and Project Heart.

The purpose of this letter is to identify the works of improvement to be made, the estimated cost of the improvements, the responsibility for making the improvements, and arrangements for sharing the cost of making the improvements. We recognize that the transaction will require further documentation and approvals, including the preparation and approval of an agreement setting forth the terms and conditions for making and paying for the improvements; nevertheless, we execute and submit this letter as evidence of the intention of all parties to proceed in good faith toward that end.

The proposed terms and conditions include the following:

Works of Improvement: The SCC Foundation will be responsible for contracting for and paying for the following works of improvement ("the Improvements") to the dining-social hall located at the Stillwater Community Center:

<u>Description</u>	<u>Estimated Cost</u>
Painting (Ortega Premium Finishes)	
Exterior: CMU Block, doors, gutters, windows and rails	\$ 6,956.00
Interior: Dining area and two restrooms	5,760.00
Interior: Kitchen doors, frames, walls	2,500.00

<u>Description</u>	<u>Estimated Cost</u>
Interior Upgrade (Replace Existing Ceiling Tiles and Install New FRP Walls in Kitchen)	
Main Room, Office, Storage, and Bathrooms	\$ 8,050.00
Serving Area	3,723.00
Replace Full and Half Doors and Laminate Façade Replace	4,000.00
Upgrade of Lighting Fixtures	
Recessed/Dimmable Lights – Installed/Wired	3,880.00
Upgrade Existing Light w/Dimmable LEDs and Matching Light Diffusers	<u>9,020.00</u>
TOTAL ESTIMATED COST OF WORKS OF IMPROVEMENT	\$ 43,889.00

Performance of Works of Improvement: All work associated with the Improvements will be performed by licensed, bonded contractors selected by the SCC Foundation. Work subject to any City ordinance or code will be performed according to such ordinance or code. All work shall be subject to inspection by the City to assure the work is performed in compliance with applicable ordinances or codes.

Reimbursement of One-Half (1/2) of Improvement Costs: Following completion of the Improvements, the SCC Foundation will provide to the City a statement showing the final costs for the Improvements. The City will reimburse the SCC Foundation for one-half (1/2) of such costs. The reimbursement shall be made from gross revenues received from rental or other fees charged to users of the dining-social hall after the completion of the Improvements, other than Project Heart. The City will use its best efforts to advertise the availability of the dining-social hall for rental, and make it available for rental. The City shall remit all such gross revenues received to the SCC Foundation quarterly, beginning at the end of the first quarter after the improvements are complete, and continuing until reimbursement of the one-half (1/2) of the total costs of the Improvements is complete. Each payment made by the City shall be accompanied by an accounting of the gross revenues received from users of the dining-social hall during the calendar quarter for which such payment is made.

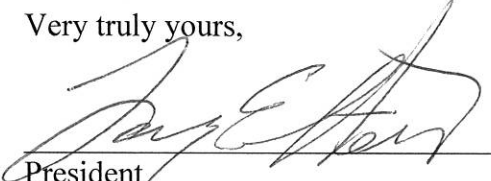
Additional Improvements by the SCC Foundation. Contingent upon approval of an agreement between the City, the FOSCC, and the SCC Foundation which incorporates the terms described in this letter, the SCC Foundation will provide, at the sole cost and expense of the SCC Foundation, a television and a refrigerator/freezer for the dining-social hall, and pay the cost required to upgrade the storage closet located within the dining-social hall.

Time for Completion of Improvements. The parties will exercise their best efforts to cause the improvements described herein to be completed by May 31, 2017.


None of the parties hereto shall be under any obligation to any other party until a definitive agreement is executed.

If the foregoing is acceptable to you, kindly execute a copy of this letter in the place indicated below and return it by email to beckstroms@aol.com or by mail to Nancy C. Beckstrom, 2218 W. 4th Avenue, Stillwater, Oklahoma 74074.

Very truly yours,



President
Stillwater Community Center Foundation



President
Friends of Stillwater Community Center,
Inc.

cc: John McClenny, Special Projects Director
Stephanie Kinder, Stillwater Community Center

ACCEPTED AND AGREED TO this ___ day of _____, 2017.

Norman McNickle
City Manager
City of Stillwater, Oklahoma