

**AGENDA**  
**PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA**  
**BOARD MEETING**  
**WEDNESDAY, JANUARY 20, 2021 AT 12:00 PM**  
**ALLIANCE CONFERENCE ROOM**  
**105 N. HUDSON, SUITE 101**  
**OKLAHOMA CITY, OK**

1. Call to Order
2. Approve Minutes of the November 18, 2020 Port Authority Meeting
3. Accept Financial Reports
4. Ratify and Approve Payment of Claims and Invoices
5. Review, Discuss and possibly Approve changes to Fee Schedule
6. Receive Marketing Consultant Report
7. Receive Comments from Members, Staff and Citizens
8. Adjournment

**Minutes of the  
December 18, 2020  
Port Authority  
Meeting**

**MINUTES**  
**PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA**  
**REGULAR BOARD MEETING**  
**WEDNESDAY, NOVEMBER 18, 2020 at 12:00 P.M.**  
**THE ALLIANCE CONFERENCE ROOM**  
**105 NORTH HUDSON, SUITE 101**  
**OKLAHOMA CITY, OK**

Board Members in Attendance: Barry Murphy, Chairman, Chuck Mills and Richard Tanenbaum

Board Members, Absent: Dustin Anderson and Arturo Delgado

Others Present: Jake Siebenaler, Finance OKC; Rita Douglas-Talley Municipal Counselor's Office OKC; Cassi Poor and Pam Lunnon, The Alliance for Economic Development of OKC

1. Call to Order  
Chairman Barry Murphy call the meeting to order at 12:01 p.m.
2. Approve Minutes of July 28, 2020 Special Port Authority Meeting  
**APPROVED.** Motion by Chuck Mills; seconded by Richard Tanenbaum
3. Accept Financial Report – Presented by Jake Siebenaler  
**ACCEPTED.** Motion by Richard Tanenbaum; seconded by Chuck Mills
4. Ratify and Approve Payment of Claims and Invoices  
**APPROVED.** Motion by Richard Tanenbaum; seconded by Chuck Mills
5. Review and Approve Revised Pro Pipe Operator Agreement and Concurrence Letter  
**APPROVED.** Motion by Chuck Mills; seconded by Richard Tanenbaum
6. Review, Discuss and possibly Approve changes to Fee Schedule  
**DEFERRED To Next Month.** Motion by Chuck Mills; seconded by Richard Tanenbaum
7. Receive Marketing Consultant Report.  
**DEFERRED To Next Month.** Motion by Richard Tanenbaum; seconded by Chuck Mills
8. Receive Comments from Members, Staff and Citizens  
There were no comments.
9. Review and Approve Next Year's Meeting Schedule  
**APPROVED.** Motion by Richard Tanenbaum; seconded by Chuck Mills
10. ADJOURNMENT – 12:09 p.m.  
**APPROVED.** Motion by Chuck Mills; seconded by Richard Tanenbaum

Schedule of Next Meeting – Wednesday, January 20, 2021

# **Financial Reports**

# **PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA**

A Discrete Component Unit of  
Oklahoma City, Oklahoma

## ***Board of Directors***

Barry Murphy, Chairman  
Chuck Mills, Vice-Chairman  
Richard Tanenbaum, Secretary  
Dustin Anderson  
Arturo Delgado

## ***Management***

Craig Freeman, General Manager

Financial Report for the Six Months Ended December 31, 2020

Prepared by The Oklahoma City Finance Department, Accounting Services Division  
Angela Pierce CPA, Assistant Finance Director/Controller

**PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA**

**TABLE OF CONTENTS**

For the Six Months Ended December 31, 2020

	Page Number
Letter of Transmittal	ii
Schedule of Cash Receipts and Disbursements	1
Supplemental Listing of Checks Issued, Six Months Ended December 31, 2020	2
Supplemental Listing of Checks Issued, Six Months Ended December 31, 2019	3
Notes to Financial Schedules	4



# MEMORANDUM

## The City of OKLAHOMA CITY

**TO:** Port Authority Board of Directors

**FROM:** Accounting Services Division

**DATE:** January 8, 2021

**SUBJECT:** Port Authority of the Greater Oklahoma City Area (Port Authority) Financial Schedules For Six Months Ended December 31, 2020 and 2019

The financial schedules presented on the following pages include the schedule of cash receipts and disbursements and the supplemental listing of checks issued for the six months ended December 31, 2020 and 2019.

There are no current year receipts compared to the prior year receipt of a \$4,000 application fee for Jasco Products Company, LLC.

Current year-to-date disbursements totaled \$21,912 for management fees, tax advisory services, reimbursement for NAFTZ virtual conference, membership and consultant fees compared to prior year-to-date disbursements of \$26,418 for membership, website fees and consultant fees.

The financial schedules are prepared on the cash basis of accounting.

The financial schedules are unaudited and prepared for internal use only. The financial schedules are prepared by the City of Oklahoma City, Finance Department, Accounting Services Division. The undersigned are prepared to answer any questions you may have pertaining to the financial schedules.

Prepared by:

Susan Barrett  
Susan M. Barrett  
Municipal Accountant I

Reviewed by:

Jake M. Siebenaler  
Jake Siebenaler  
Accounting Manager

Approved for issuance:

Alex E. Fedak  
Alex E. Fedak, CPA  
Assistant Controller

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**For the Six Months Ended December 31,**  
**(unaudited)**

**PORT AUTHORITY OF THE**  
**GREATER OKLAHOMA CITY AREA**

	<u>2020</u>	<u>2019</u>
<b><u>RECEIPTS</u></b>		
Application fee for Jasco Products Company LLC-----	\$-	\$4,000
Total receipts -----	<u>-</u>	<u>4,000</u>
<b><u>DISBURSEMENTS</u></b>		
Checks issued for previous periods-----	9,823	1,418
Checks issued for the two months ended December 31, 2020 and 2019,		
Consultant fees - 1313 Ernst and Young-----	-	25,000
Management fees - 1327 The Alliance for Economic Development of OKC-----	1,666	-
Membership fees - 1328 NAFTZ-----	1,250	-
Consultant fees - 1329 Ernst and Young-----	2,267	-
Consultant fees - 1330 Ernst and Young-----	5,239	-
Management fees - 1331 The Alliance for Economic Development of OKC-----	1,667	-
Total checks issued for the two months ended December 31, -----	<u>12,089</u>	<u>25,000</u>
Total disbursements -----	<u>21,912</u>	<u>26,418</u>
Net increase (decrease) in cash -----	(21,912)	(22,418)
Beginning cash - July 1,-----	59,224	59,478
Ending cash - December 31, -----	<u><u>\$37,312</u></u>	<u><u>\$37,060</u></u>

See accompanying notes to financial statements.



**SUPPLEMENTAL LISTING OF CHECKS ISSUED**  
**FISCAL YEAR 2021**  
**For the Six Months Ended December 31, 2020**  
**(unaudited)**

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**PORT AUTHORITY OF THE**  
**GREATER OKLAHOMA CITY AREA**

**Previously Reported**

1321	The Alliance for Economic Development of OKC-----	\$1,667
1322	The Alliance for Economic Development of OKC-----	1,667
1323	The Alliance for Economic Development of OKC-----	1,666
1324	Global Trade-----	2,862
1325	The Alliance for Economic Development of OKC-----	1,666
1326	Cassi Poor-----	295
	Total-----	<b>9,823</b>

**Currently Reported**

1327	The Alliance for Economic Development of OKC-----	1,666
1328	NAFTZ-----	1,250
1329	Ernst and Young-----	2,267
1330	Ernst and Young-----	5,239
1331	The Alliance for Economic Development of OKC-----	1,667
	Total-----	<b>12,089</b>

Total-----	<b>\$21,912</b>
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**SUPPLEMENTAL LISTING OF CHECKS ISSUED**  
**FISCAL YEAR 2020**  
**For the Six Months Ended December 31, 2019**  
**(unaudited)**

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**PORT AUTHORITY OF THE**  
**GREATER OKLAHOMA CITY AREA**

**Previously Reported**

1311 NAFTZ-----	\$1,250
1312 The Alliance for Economic Development of OKC-----	168
Total-----	<u><b>1,418</b></u>

**Currently Reported**

1313 Ernst and Young-----	25,000
Total-----	<u><b>25,000</b></u>
Total -----	<u><u><b>\$26,418</b></u></u>

## I. RELATION TO THE CITY OF OKLAHOMA CITY

The Port Authority of the Greater Oklahoma City Area, (Port Authority), was created by the City of Oklahoma City (City), pursuant to Title 82, Oklahoma Statutes, Sections 1101-1104. The Port Authority was established on October 30, 1962. The Port Authority was granted Foreign Trade Zone #106, (the Zone) on September 14, 1984. The Foreign Trade Zone provides for the physical plant and operation of general warehousing facilities to companies for manufacturing or manipulation, duty free.

The Port Authority is governed by a Board of Directors consisting of five members appointed by the Mayor with the advice and consent of the City Council. The Directors serve a term of four years.

### *Method of Reporting in the City's Comprehensive Annual Financial Report (CAFR)*

The Port Authority is included in the City's financial reporting entity. The Port Authority is a discretely presented component unit of the City. The City's CAFR can be obtained from the City of Oklahoma City, Finance Department, 100 N. Walker, Ste. 300, Oklahoma City, OK 73102 and from the City's website at [www.okc.gov](http://www.okc.gov).

## II. BASIS OF ACCOUNTING

The attached schedule of cash receipts and disbursements is presented on the cash basis of accounting. Receipts are recorded when cash is received, and disbursements are recorded when paid.

## III. CONSULTING SERVICES CONTRACT

On December 11, 2018, the Port Authority entered into a contractual agreement for professional services with Ernst and Young, LLP. For each project it agrees to undertake, Ernst and Young will prepare a statement of work describing the particular services, as well as any advice, presentations, or filings to be made, the fees therefor, and any other project-specific arrangements.

On January 1, 2019, the Port Authority terminated its contractual agreement for professional services with Matthew Weaver.

## IV. SUB ZONES

The Port Authority receives additional fees for the establishment and maintenance of sub zones. Sub zones are adjuncts to the general purpose zone and are single user private sites, usually at manufacturing facilities. The amount of the fees will vary according to the number of sub zones that are active.

### ACTIVE SUB ZONES

Entity	Date Received	Amount	Fee Type
Jasco Products Company, LLC	December 2019	\$4,000	Application fee
VF Jeanswear	February 2020	12,000	Sub zone annual fee
Xerox Corporation	February 2020	12,000	Sub zone annual fee
Miraclon Corporation	March 2020	12,000	Sub zone annual fee

## V. RECEIPTS

Receipts include sub zone fees, activation and deactivation fees. Activation fees are applied with the application for a sub zone. Deactivation fees are for voluntary discontinuation of the activation of an entire zone or sub zone.

# **Claims and Invoices**

**Alliance for Economic Development OKC**

105 N. Hudson Ave., Ste. 101  
Oklahoma City, OK 73102  
USA

**INVOICE**

Invoice Number: #12-PA  
Invoice Date: Jan 1, 2021  
Page: 1

*Duplicate*

Voice: 405-604-6780

Fax: 405-232-8317

**Bill To:**

Oklahoma City Port Authority  
105 N. Hudson, Suite 101  
Oklahoma City, OK 73102

**Ship to:**

Oklahoma City Port Authority  
105 N. Hudson, Suite 101  
Oklahoma City, OK 73102

Customer ID	Customer PO	Payment Terms	
Port Authority		Net Due	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	Airborne		1/1/21

Quantity	Item	Description	Unit Price	Amount
		Alliance Management fee - Month of December, 2020		1,666.67
Subtotal				1,666.67
Sales Tax				
Total Invoice Amount				1,666.67
Payment/Credit Applied				
<b>TOTAL</b>				<b>1,666.67</b>

Check/Credit Memo No:

# **New Fee Schedule Proposal**

**From:** Nesia E Warner-Isidore <[nesia.warner@ey.com](mailto:nesia.warner@ey.com)>  
**Sent:** Friday, July 10, 2020 1:31 PM  
**To:** Nicolle Goodman <[nicolle.goodman@theallianceokc.org](mailto:nicolle.goodman@theallianceokc.org)>  
**Cc:** Ryan A McNeil <[Ryan.McNeil@ey.com](mailto:Ryan.McNeil@ey.com)>; James Grogan <[james.grogan@ey.com](mailto:james.grogan@ey.com)>  
**Subject:** FW: Activate a Site - PAOKC Fee Schedule

Nicolle

### **Grantee/EY /User Responsibility Matrix**

As a follow up to your questions around scope of our work, we are attaching a matrix that should be helpful in identifying the areas where we would be providing assistance. The matrix focuses on our assistance whenever there is a live FTZ project whether application and/or activation. In addition, it includes assistance with your annual reporting requirement to the board. Let's have a call to discuss each item and we can confirm the areas you would like our assistance.

To also ensure you have full view into the billing, we will be issuing monthly billings with a full description of the work done. We will also include a status update on how much has been billed to date. This will help you to keep track of our work.

### **Grantee Fee Schedule**

We pulled together a quick chart to help you see the rates offered by other Oklahoma grantees as well as some zones in Texas. As you will see, your rate schedule is fairly involved. The only one that went into as much depth is Durant, which was fine because it was easy to follow. The current format of OKC is not easy to follow.

The goal with FTZ grantee fees is not for the grantees to make a profit, but to be reasonable in allowing you to cover your expenses etc. You should consider the level of involvement needed especially with respect to whether you plan on assisting companies get any requisite taxing authority support as part of a geographical application.

Option 1 – Keep your existing schedule, but modify the language to make it more clear. Removing “variable” for magnet site application and reference to TIM process with the FTZ Board.

Option 2 – Consider the following rates:

Application fee:

- Subzone - \$6,000
- Magnet Site - \$5,000
- Boundary Modification - \$3,000 (minor or major)

Activation – *consider no activation fee*. If fee is charged:

- Activation fee - \$3,000 (would cover multiple sites made in one request. Each request is a separate fee)

Annual Fees\*

- ASF, traditional subzone or Magnet Site- \$10,000

Option 3: Consider alternative rates

### ***Application Fee***

Application Fee (per site)

- Application for Usage Driven/Subzone, traditional Subzone, and the creation of a magnet site - \$4000
- Modification of an existing site (ASF usage driven/subzone, traditional subzone or magnet) \$1,600

***Grantee Annual User Fees\****

Traditional Subzone sites \$10,000

All other sites \$6000

\*Annual fees can be charged per operator regardless of the number of sites.

Options 2 and 3 are just suggested rates for your consideration. You are of course free to review the numbers and come up with numbers for which you are comfortable.

**Regards**

**Nesia Warner** | Senior Manager | EY Global Trade, Indirect Tax Services

Ernst & Young, LLP

Office: +1 512-680-8409 | [Nesia.warner@ey.com](mailto:Nesia.warner@ey.com)



# **Marketing Consultant Report**

# **Comments from Members, Staff and Citizens**