

AGENDA
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
SPECIAL MEETING
THURSDAY, JULY 26, 2018 AT 12:00 NOON
THE ALLIANCE FOR ECONOMIC DEVELOPMENT OF OKLAHOMA CITY
CONFERENCE ROOM
105 NORTH HUDSON, SUITE 101
OKLAHOMA CITY, OK

1. Call to Order
- 2.* Approve Minutes of the May 16, 2018 Regular Port Authority Meeting
- 3.* Accept Financial Reports
4. Consultant Report – Matthew Weaver
- 5.* Receive and Approve request for FTZ Subzone Application for a site in POCASSET, Oklahoma from Midship Pipeline Company LLC, and it's parent company Cheniere Energy
- 6.* Ratify and Approve Payment of Claims and Invoices
7. Receive Comments from Members, Staff and Citizens
8. Schedule of Next Meeting – Wednesday, September 19, 2018
- 9.* Adjournment

*Action Required

MINUTES
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
REGULAR MEETING
WEDNESDAY, MAY 16, 2018 - 12:00 NOON
THE ALLIANCE CONFERENCE ROOM
105 NORTH HUDSON, SUITE 101
OKLAHOMA CITY, OK

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

Board Members, Absent: Erika Lucas and Dustin Anderson

Others Present: Susan Barrett, Finance OKC; Hailey Rawson, Municipal Counselor's Office OKC, Mark Kranenburg, Airports; Cathy O'Connor and Pam Lunnion, The Alliance for Economic Development of OKC

1. Call to Order at 12:00 noon
- 2.* Approve Minutes of March 12, 2018 Special Port Authority Meeting

APPROVED. Moved by Chuck Mills; seconded by Richard Tanenbaum; Ayes: Tanenbaum, Mills and Murphy

- 3.* Accept Financial Reports

Presentation made by Susan Barrett, City of Oklahoma on Financial Reports dated April 30, 2018.

ACCEPTED. Moved by Chuck Mills; seconded by Richard Tanenbaum; Ayes: Tanenbaum, Mills and Murphy

4. Consultant Report – Matthew Weaver
(see attached Consultant Report)
Discussion: General Administrative & Marketing
Climate Control Group, Oklahoma City, OK
Century Uniforms, Oklahoma City, OK
Chickasha ED Council, Chickasha, OK
Eastman Kodak, Weatherford, OK
Citizen Potawatomi Nation, Shawnee, OK
Kodak, Weatherford, OK

- 5.* The Port Authority approves the Amendment 1 of the Professional Services Agreement with Matthew Weaver

Discussion: Mr. Murphy stated going forward the Authority would like to extend Matthew Weavers contract to the end of the year to allow the RFP to go out and be

responded to and evaluated. At that point we will let a consultant come in and tell us what we need to do next. Recommendation is to approve a motion to extend contract.

APPROVED. Moved by Chuck Mills; seconded by Richard Tanenbaum; Ayes: Tanenbaum, Mills and Murphy

- 6.* Request for Proposals to be advertised, Professional Consulting Services to develop a Foreign Trade Zone Project Marketing and Business Development Plan

Discussion: Mr. Murphy stated what we are planning on doing is going out to the professional community with a request for proposal for an overview of a marketing and business development plan. We need someone that can come in and have a look at our overall operations, see where we have been, see where we are going, look at our current infrastructure and what we have done recently. With the best practices, hopefully, they can get us to where we need to be. A draft of the RFP has been provided for the board's review and we will release this RFP very shortly. The end product that we are hoping for is for a consultant to come in that is familiar with the industry and give us the guidance that we need.

The recommendation is to request for Proposal be approved and the City Clerk be authorized to advertise for proposals. The motion will be for the memo title. The City's bidding system which is called BidSync will be used and handled by the City's procurement department through their electronic bidding process.

APPROVED. Moved by Richard Tanenbaum; seconded by Chuck Mills; Ayes: Tanenbaum, Mills and Murphy

- 7.* Ratify and Approve Payment of Claims and Invoices. Matthew Weaver, FTZ Marketing Director's time from 03/01/18 04/30/18; Anglin PR Invoice and Wix Invoice.

APPROVED. Moved by Chuck Mills; seconded by Richard Tanenbaum; Ayes: Tanenbaum, Mills and Murphy

8. Receive Comments from Members, Staff and Citizens
9. Schedule of Next Meeting – Wednesday, July 18, 2018
- 10.* ADJOURNMENT – 12:16 p.m.

Moved by Chuck Mills; seconded by Richard Tanenbaum; Ayes: Tanenbaum, Mills and Murphy

*Action Required

Foreign Trade Zone #106 Marketing Activity Report & Invoice

March 1st, 2018 – March 31st, 2018

Matthew S. Weaver

Date: March 2018

Activities:

- General administrative and marketing activities: i.e., USCBP; Greater Oklahoma City Chamber of Commerce inquiries; Oklahoma Department of Commerce inquiries; OGE initiatives; The Alliance and the new website; other networking opportunities; phone calls; report preparations; emails; etc.
- Climate Control Group, Oklahoma City: I facilitated two extensive business development strategy meetings concerned with their current global supply chain management practices for their local manufacturing companies (6), and potential future sourcing scenarios: one meeting with their Associate General Counsel Robbin Miranda; and the second being with CEO Rick Aldridge, and General Counsel James Murray III. I've agreed to a verbal NDA and will keep the Board apprised of any developments.
- Delaware Nation, Chickasha, Oklahoma: Continued discussions with their confidential ED consultant concerning the Tribe's economic development strategy. I am still under a NDA with DNEDA.
- Chickasha Economic Development Council: Inquiries and discussions with their CEO Christy Elkins concerning Gabriels, and new prospects for retention.
- Citizen Potawatomi Nation, Shawnee, Oklahoma: Consulted with one of their preferred vendors, that is heavily involved with overseas manufacturers, who is trying to help recruit them to Iron Horse. CPN's Courtney Palmer is helping to facilitate these discussions.
- **Total Hours worked:** 27 hours x \$50/hr = \$1350

Foreign Trade Zone #106 Marketing Activity Report & Invoice

April 1st, 2018 – April 30th, 2018

Matthew S. Weaver

Date: April 2018

Activities:

- General administrative and marketing activities: i.e., Annual Report to FTZB; USCBP meeting; prospecting conversations with FTZB; worked with Hawks Logistics on their FTZ presentation for a national inland Ports conference; meeting with FTZ #106 Board President; Greater Oklahoma City Chamber of Commerce inquiries; Oklahoma Department of Commerce inquiries; Chickasha E.D. Council; OGE initiatives; other networking opportunities; phone calls; report preparations; emails; etc.
- Kodak, Weatherford, Ok.: Finalized application paperwork with USCBP, FTZB, Kodak, and Milller & Co. regarding USCBP Letter of Concurrence – Kodak was approved on April 24th as FTZ #106's newest customer, which will be known as FTZ #106 Subzone F, not as a Usage-Driven Site, due to a variety of strategic reasons Kodak wishes to take advantage of in the future.
- Century Uniforms, Oklahoma City: Met with Debbie Lumry, whom now has elevated international business responsibilities, and she assured me that the FTZ discussion is alive and well – this summer there should be movement about their pursuit of FTZ designation.
- **Total Hours worked:** 30 hours x \$50/hr = \$1500

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
Erica Lucas
Dustin Anderson

Management

James D. Couch, General Manager

Financial Report for the Fiscal Year Ended June 30, 2018

Prepared by The Oklahoma City Finance Department, Accounting Services Division
Laura L. Papas, Controller

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

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For the Fiscal Year Ended June 30, 2018

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MEMORANDUM

The City of OKLAHOMA CITY

TO: Port Authority Board of Directors

FROM: Accounting Services Division

DATE: July 5, 2018

SUBJECT: Port Authority of the Greater Oklahoma City Area (Port Authority) Financial Schedules for the Fiscal Year Ended June 30, 2018.

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 fiscal years ended June 30, 2018 and 2017.

Current year-to-date receipts are \$12,000.00 as compared to the prior year receipts of \$17,000.00. The decrease is due to \$5,000.00 received in the prior year from Eastman Kodak for subzone application fee.

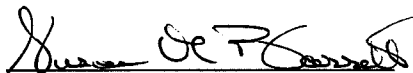
Current year-to-date disbursements totaled \$22,899.60. This compares to prior year-to-date disbursements of \$23,750.00 for a decrease of \$850.40 due to a decrease in marketing fees of \$938.24 for the design of a new website to promote foreign trade zone, a decrease of \$850.00 for one time printing of Federal Trade Zone (FTZ) brochures in the prior year, offset by an increase in other services and charges of \$168.00 for domain services and \$169.84 for check order fees. The consulting contract is on an hourly basis for special projects. In both years, the Port Authority has used the service of the consultant on various projects including the Seminole, Lawton, Oklahoma City, and Woodward sub zones.

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

The schedules are preliminary and may change. However, any changes are expected to be immaterial. Significant changes would result in reissuance of the schedules.

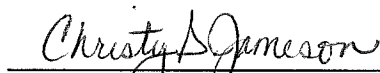
The financial schedules are unaudited and prepared for internal use only. The financial schedules are prepared by the City of Oklahoma City, Finance Department, Accounting Services Division. The undersigned are prepared to answer any questions you may have pertaining to the financial schedules.

Prepared by:



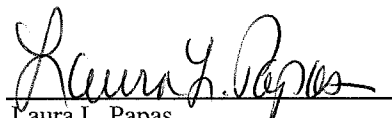
Susan M. Barrett
Municipal Accountant I

Reviewed by:



Christy D. Jameson, CPA
Accounting Manager

Approved for issuance:



Laura L. Papas
Controller

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Fiscal Years Ended June 30, 2018 and 2017
(unaudited) (preliminary)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

	<u>2018</u>	<u>2017</u>
<u>RECEIPTS</u>		
Annual fee - VF Jeanswear-----	\$12,000.00	\$12,000.00
Eastman Kodak application for subzone-----	-	5,000.00
Total receipts -----	<u>12,000.00</u>	<u>17,000.00</u>
<u>DISBURSEMENTS</u>		
Checks issued for previous period-----	19,731.60	16,650.00
Checks issued for the two months ended April 30,		
Consultant fees - 1278 Matthew Weaver -----	-	1,650.00
Marketing - 1279 Anglin Public Relations -----	-	350.00
Consultant fees - 1281 Matthew Weaver -----	-	1,600.00
Marketing - 1282 Anglin Public Relations -----	-	3,500.00
Consultant fees - 1296 Matthew Weaver-----	1,500.00	-
Reimbursement - domain services - 1297 The Alliance for Economic Development----	168.00	-
Consultant fees - 1298 Matthew Weaver-----	1,500.00	-
Total checks issued for the two months ended April 30, -----	<u>3,168.00</u>	<u>7,100.00</u>
Total disbursements -----	<u>22,899.60</u>	<u>23,750.00</u>
Net increase (decrease) in cash -----	(10,899.60)	(6,750.00)
Beginning cash - July 1,-----	39,622.49	46,372.49
Ending cash - June 30, -----	<u>\$28,722.89</u>	<u>\$39,622.49</u>

SUPPLEMENTAL LISTING OF CHECKS ISSUED
 FISCAL YEAR 2018
 For the Fiscal Year Ended June 30, 2018
 (unaudited) (preliminary)

PORT AUTHORITY OF THE
 GREATER OKLAHOMA CITY AREA

Previously Reported

1283	Matthew Weaver-----	\$1,500.00
1284	Matthew Weaver-----	1,250.00
1285	Matthew Weaver-----	1,100.00
1286	Matthew Weaver-----	1,350.00
1287	Matthew Weaver-----	1,500.00
1288	Matthew Weaver-----	1,550.00
1289	Matthew Weaver-----	1,800.00
1290	Matthew Weaver-VOID-----	-
1291	Matthew Weaver-----	2,000.00
1292	NAFTZ-----	1,250.00
1293	Matthew Weaver-----	1,550.00
1294	Matthew Weaver-----	1,350.00
	Check order-----	169.84
1295	Anglin Public Relations-----	3,361.76

Total----- 19,731.60

Currently Reported

1296	Matthew Weaver-----	1,500.00
1297	The Alliance for Economic Development-----	168.00
1298	Matthew Weaver-----	1,500.00
		<u><u>3,168.00</u></u>

Total----- \$22,899.60

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2017
For the Fiscal Year Ended June 30, 2017
(unaudited) (preliminary)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

<u>Previously Reported</u>		
1262	Matthew Weaver -----	\$1,400.00
1263	Matthew Weaver -VOID-----	-
1264	Matthew Weaver -----	1,150.00
1265	Matthew Weaver-----	1,350.00
1266	Matthew Weaver-----	1,050.00
1267	Matthew Weaver-----	1,500.00
1268	Matthew Weaver-----	1,350.00
1269	Anglin Public Relations-----	850.00
1270	Matthew Weaver-----	1,350.00
1271	Matthew Weaver-----	1,450.00
1272	Matthew Weaver-----	1,500.00
1273	Anglin Pulbic Relations - VOID-----	-
1274	Anglin Public Relations-----	450.00
1275	NAFTZ-----	1,250.00
1276	VOID-----	-
1277	Matthew Weaver-----	2,000.00
	Total-----	<u>\$16,650.00</u>
<u>Currently Reported</u>		
1278	Matthew Weaver-----	\$1,650.00
1279	Anglin Pulbic Relations -----	350.00
1280	Matthew Weaver -VOID-----	-
1281	Matthew Weaver-----	1,600.00
1282	Anglin Pulbic Relations -----	3,500.00
	Total-----	<u>\$7,100.00</u>
	Total-----	<u>\$23,750.00</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.

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. OPERATOR'S AGREEMENT

The Port Authority selected Biagi Warehousing, Inc. to act as the operator of the general purpose warehouse. Biagi Warehousing, Inc. is responsible for all warehousing and warehouse-related activities; maintenance of the warehouse; marketing and promotion of the Zone; developing the general purpose warehouse; and assisting and cooperating with the Port Authority on any audit, report, inventory, or other documentation of activities in the Zone. The Port Authority receives a fee of \$4,000.00 from Biagi annually, payable in February of each year for the operation of warehousing space. Biagi lost its status as a foreign trade zone in February, 2017 and the annual remittance received in February was returned.

IV. CONSULTING SERVICES CONTRACT

The Port Authority entered into a contractual agreement for professional services with a consultant to provide marketing and development services, assist in the administration of the Zone, and to advise the management and the Board. The consultant is required to prepare a written and oral report of scope of work and services performed at each Board meeting. Among other requirements of the consultant are the preparation and filings of documents to the U.S. Customs Services, the Foreign Trade Zone Board and any other government agency with jurisdiction. The Board has agreed to work with the consultant on an hourly basis on special projects.

V. 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. There is a current sub zone, VF Jeanswear. The VF Jeanswear application fee was \$12,000.00. The City of Seminole completed an application unit based trade zone for VF Jeanswear. The initial fee for the Seminole contract was \$5,000.00. The City of Enid has qualified as a sub zone and has paid a fee but has no active zones at this time. The Citizen Potawatomi Nation Iron Horse Industrial Park sub zone fee of \$1,600.00 was activated in February, 2014 and the application fee for Citizen Potawatomi Nation Iron Horse Industrial Park was received in April, 2014 in the amount of \$2,000.00. The application fee of \$5,000.00 was received in May, 2017 for Eastman Kodak Company for the production notification application for Foreign-Trade Subzone #106 in Weatherford, OK.

VI. 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.

Foreign Trade Zone #106 Marketing Activity Report & Invoice
May 1st, 2018 – May 31st, 2018
Matthew S. Weaver

Date: May 2018

Activities:

- **General administrative and marketing activities:** i.e., USCBP meeting; conversations with FTZB; Greater Oklahoma City Chamber of Commerce inquiries; Oklahoma Department of Commerce inquiries;; OGE initiatives; Board meeting preparations; other networking opportunities; phone calls; report preparations; emails; etc.

- **Xerox, Mustang, Ok.:** Site visit and conference calls with plant manager and FTZ Corp. Compliance Officer about the reactivation of FTZ #106D. # new chemicals are being imported from Asia and they are looking to defer/eliminate the duties and reduce their MPF's. The products will then be Zone-to-Zone transferred to the Xerepx facility in Webster, NY. I've had the appropriate conversations and meetings with USCBP and the FTZB in regards to the administration of the processes involved - Xerox is moving forward with hopes of having them reactivated by end of 3rd quarter.

- **Greater Oklahoma City Chamber of Commerce, Oklahoma City:** I prepared and presented a training session to acting VP of ED Richard Clements, and his BRE Team about FTZ #106 as a tool for their retention efforts.

- **Total Hours worked:** 30 hours x \$50/hr = \$1500

Foreign Trade Zone #106 Marketing Activity Report & Invoice
June 1st, 2018 – June 30th, 2018
Matthew S. Weaver

Date: May 2018

Activities:

- General administrative and marketing activities: i.e., USCBP meeting; conversations with FTZB; Greater Oklahoma City Chamber of Commerce inquiries; Oklahoma Department of Commerce inquiries; OGE initiatives; other networking opportunities; phone calls; Operator's Agreement modifications; emails; etc.
- Xerox, Mustang, Ok.: Follow-up conversations with the FTZB, USCBP, and Xerox regarding next steps for the potential of reactivating the Site in Mustang, Ok.. Visits are being considered for July.
- Climate Control Group, Oklahoma City: Follow-up conversations and materials regarding supply chain management scenario planning around increasing imports.
- Chickasha Economic Development Council: Conversations with their CEO Christy Elkins concerning new prospects and the marketing of the business park.
- Kodak, Weatherford, Ok.: Multiple conversations with Scott Taylor, of Miller & Co, the FTZB and USCBP concerning security visit, Operator's Agreement, and Activation time-lines.
- **Total Hours worked:** 30 hours x \$50/hr = \$1500

TOTAL Invoice

Foreign-Trade Zone #106

Marketing Activity Billing Report

Time Period: 5/1 – 5/31/18

Hours worked: 30 hours x \$50/hr = \$1500

Submitted by Matthew Weaver

Project	Activity	Time
General Administrative and Marketing	Annual Report; Responding to FTZ inquiries; FTZB/USCBP; research; support; general networking	19
Prospect Follow-ups	Research & Follow-up	1
Xerox	Meetings/conversations	6
Greater OKC Chamber	Training session preparation/presentation	4

Billable Time: 30 hours

Total Due: \$1500

TOTAL Invoice

Foreign-Trade Zone #106

Marketing Activity Billing Report

Time Period: 6/1 – 6/30/18

Hours worked: 30 hours x \$50/hr = \$1500

Submitted by Matthew Weaver

Project	Activity	Time
General Administrative and Marketing	Annual Report; Responding to FTZ inquiries; FTZB/USCBP; research; support; general networking	14
Prospect Follow-ups	Research & Follow-up	3
Xerox	Meetings/conversations	6
Chickasha E.D.C.	Communications	1
Kodak	Operator's Agreement; Activation/Security visit logistics	5
Climate Control Group	Follow-up	1

Billable Time: 30 hours

Total Due: \$1500