AGENDA
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
Regular Meeting
Wednesday, January 15, 2014 at 12:00 noon
The Alliance for Economic Development of Oklahoma City
Conference Room (High Tower Building)
105 North Hudson, Suite 101
Oklahoma City, OK

1. Call to Order

2.* Approve Minutes of November 20, 2013 Port Authority Meeting

3.* Accept Financial Reports

4. Consultant Report – Matthew Weaver

5. * Approve Citizen Potawatomie Nation Magnet Site Application Request and Associated FTZ #106 Resolution Letter

6.* Ratify and approve payment of claims and invoices

7.* Approve Matthew Weaver to prepare Annual Report

8. Discuss Marketing Strategy for FTZ Program

9. Consider New Business

10. Receive Comments from Members, Staff and Citizens

11. Schedule of Next Meeting – Wednesday, March 19, 2014

12.* Adjournment

*Action Required

MINUTES
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
REGULAR MEETING
November 20, 2013 - 12:00 noon
The Alliance Conference Room (High Tower Building)
Oklahoma City, OK

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

Board Members Absent: Craig Knutson, Chairman

Others Present: Susan Barrett, Finance; Matthew Weaver, Marketing Director; Craig Keith and Hailey Rawson, Municipal Counselor's Office, Cathy O'Connor, The Alliance; Dustin Akers, The Alliance and Pam Lunnon, The Alliance

1. Call to Order at 12:01 p.m.

2.* Approve Minutes of October 3, 2013 Port Authority Meeting

APPROVED. Moved by C. Mills; seconded by R. Tanenbaum; Ayes: Mills, Tanenbaum and Murphy

3.* Accept Financial Reports

Ms. Barrett reported on schedule of cash receipts and disbursements for fiscal year ended October 31, 2013. The Authority has received checks from Biagi Warehousing, Inc. - $1,333.32 and interest income – $2.83 totaling $1,336.15. Disbursements – Consultants Fees - $675; Membership NAFTZ - $1,160; bank fees - $86.83 totaling $1,921.83. The Authority ended with decrease in cash - $585.68. Beginning cash – July 1 was $21,715.19; ending cash balance – August 31st was $21,129.51.

ACCEPTED. Moved by C. Mills; seconded by R. Tanenbaum; Ayes: Mills, Tanenbaum and Murphy

4.* Approve Schedule of 2014 Meeting Dates

APPROVED. Moved by R. Tanenbaum; seconded by C. Mills; Ayes: Mills, Tanenbaum and Murphy

5. Consultant Report – Matthew Weaver

Mr. Weaver gave a short description of projects.

Expeditors Tradewin: Dallas, Texas

Mr. Weaver continues to communicate with two distributors/manufacturers out of Texas, so this project is still active.

IG: Mustang, OK

Mr. Weaver met with Scott Gray, new Plant Manager at IG in Mustang, to answer his questions and to educate him about the history of their FTZ application/designation and possible opportunities to pursue re-designation. Seven years ago, IG had a very complex application; it was all approached wrong and was not going to work. The FTZB is willing to work with them and try to come in at a different angle. IG has a new business opportunity developing that may require a request to the FTZB to reconsider their status.

Citizen Potawatomie Nation

Mr. Weaver reported the Port Authority's Board made a decision to take on another magnet site as long as the FTZB agreed and they did. Staff members will help facilitate Potawatomie's application for magnet site designation. Chris is doing the application and Camille will review it. Mr. Weaver has had conversations with Jim Collard, of the Nation, and will be meeting with him out at the site on December 2nd. He has a prospect that can take advantage of designation. Mr. Weaver has had inquires/questions about dealing with contracts with prospects that are coming in to get active within our zone. We have tools with the FTZ's project and the opportunity to help these corporations and public entities max themselves up so they can build their business up to that next level. This project is moving forward.

6.* Ratify and approve payment of claims and invoices. Matthew Weaver, FTZ Marketing Director's time 9/1/13-10/31/13 - $400.00

APPROVED. Moved by R. Tanenbaum; seconded by C. Mills; Ayes: Mills, Tanenbaum, Lucas and Murphy

7. Discuss Marketing Strategy for FTZ Program

Mr. Mills informed the group that he will be the new Chairman of the State Chamber starting in June 2014 and is about to embark on an international awareness campaign. Mr. Mills is proposing to build a network of mentors to help businesses by showing people that it is not hard to do international trade. Mr. Mills has enlisted help from the Lieutenant Governor. The information given out could help grow small businesses and create bigger growth opportunities in rural Oklahoma. Resources utilized will be with the State Chamber, the Governor's International Team, the Oklahoma District Export Council and the Business Roundtable. It has a dual purpose, one task is to increase the membership for the State Chamber and at the same time we can offer other services as well.

Mr. Mills has until June 2014 to lay out the groundwork, plus find and identify the right people and entities. As he does that he would like to mention that there are a lot of other resources available like the FTZ and Magnet Sites that people are just not aware of. It will become part of the awareness campaign plus services available by the Department of Commerce and the US Assistance Center. The Governor's International Team is putting together a comprehensive list of all the international entities throughout the state. This will be identified through a website or printed material. Mr. Mills wants to do what he can to advance that initiative and see what happens.

8. Consider New Business

9. Receive Comments from Members, Staff and Citizens

10. Schedule of Next Meeting – January 15, 2014

11. ADJOURNMENT – 12:22 p.m.

Moved by C. Mills; seconded by R. Tanenbaum; Ayes: Mills, Tanenbaum, Lucas and Murphy

*Action Required

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

A Discrete Component Unit of
Oklahoma City, Oklahoma

Board of Directors

Craig R. Knutson, Chairman

Erica Lucas
Chuck Mills
Barry Murphy
Richard Tanenbaum

Management

James D. Couch, General Manager

Financial Report For the Six Months Ended December 31, 2013

Prepared by The Oklahoma City Finance Department, Accounting Services Division
Rebecca L. Rhodes, Interim Controller

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

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MEMORANDUM

The City of OKLAHOMA CITY

TO: Port Authority Board of Directors

FROM: Accounting Services Division

DATE: January 10, 2014

SUBJECT: Port Authority of the Greater Oklahoma City Area (Port Authority) Financial Schedules For the Six Months Ended December 31, 2013 and 2012

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, 2013 and 2012.

Current year to date receipts totaled $2,005.16. This compares to prior year to date receipts of $2,006.70. The decrease in receipts is due to the amount of checking account interest received.

Current year to date disbursements totaled $2,365.54. This compares to prior year to date disbursements of $9,651.34 for a decrease of $7,285.80. The consulting contract is on a hourly basis for special projects. Port Authority has used the services of the consultant on various projects including the Seminole, Lawton, Oklahoma City, and Woodward sub zones. Consulting fees were $1,075.00 in the current year, a decrease of $8,425.00.

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 II

Reviewed by:

Alex E. Fedak, CPA
Accounting Manager

Approved for issuance:

for Rebecca L. Rhodes, CPA
Interim Controller

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

PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA

	2013	2012
RECEIPTS		
Warehouse Operator Fees - Biagi Warehousing, Inc.	$1,999.98	$1,999.98
Interest on checking	5.18	6.72
Total receipts	2,005.16	2,006.70
DISBURSEMENTS		
Checks issued for previous period	1,835.00	5,634.16
Checks issued for the two months ended December 31,		
Consultant Fees - 1224 Matthew Weaver	-	3,900.00
Checks issued for the two months ended December 31,		
Consultant Fees - 1232 Matthew Weaver	400.00	-
Total check issued for two months ended December 31,	400.00	3,900.00
Bank fees	130.54	117.18
Total disbursements	2,365.54	9,651.34
Net increase (decrease) in cash	(360.38)	(7,644.64)
Beginning cash - July 1,	21,715.19	17,993.92
Ending cash - December 31,	**$21,354.81**	**$10,349.28**

See accompanying notes to financial statements.

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2014
For the Six Months Ended December 31, 2013
(unaudited)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

Previously Reported	
1230 Matthew Weaver	$675.00
1231 NAFTZ	1,160.00
Total	$1,835.00
Currently Reported	
1232 Matthew Weaver	$400.00
Total	$2,235.00

See accompany notes to financial statements.

Previously Reported		
1222	Matthew Weaver	$5,600.00
1223	Fedex	34.16
Total		$5,634.16
Currently Reported		
1224	Matthew Weaver	$3,900.00
Total		$9,534.16

See accompanying notes to financial statements.

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 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 $3,999.96 from Biagi annually, payable in monthly installments of $333.33 for the operation of warehousing space.

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 #106, 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, activated in April, 2013. 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. Enid has qualified as a sub zone and has paid a fee but has no active zones at this time.

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
November 1st, 2013 – December 31st, 2013
Matthew S. Weaver

Date: November, 2013
Activities:

- General Marketing/Administrative Activities: OKC, OK
  - Fielded inquiries, emails and phone calls, about general FTZ questions.
  - Conversations with Jim Collard of Citizen Potawatomi Nation (CPN) about application
  - Conversations with Chris Kemp of FTZB about CPN application needs
  Hours worked: 2 hours x $50/hr = $100

Date: November 20th, 2013
Activities:

- Foreign-Trade Zone #106 Board Meeting: OKC, OK
  - Prepared, attended and participated with the FTZ #106 Board meeting.
  Hours worked: 2 hours x $50/hr = $100

Date: December 2nd, 2013
Activities:

- Citizen Potawatomi Nation, Shawnee, OK
  - Met with Jim Collard and his assistant, Kelley Frances, about their application progress, Chris Kemp of the FTZB is out of the office, indefinitely, due to a family emergency, therefore the application will be somewhat delayed. I suggested to Jim that they come before the Board in January to request application sponsorship.
  Hours worked: 4 hours x $50/hr = $200

Date: December, 2013
Activities:

- General Marketing/Administrative Activities: OKC, OK
  - Fielded inquiries, emails and phone calls, about general FTZ questions.
  Hours worked: 1 hour x $50/hr = $50

TOTAL Invoice

Foreign-Trade Zone #106
Marketing Activity Billing Report
Hours worked: 8 hours x $50/hr = $400
Time Period: 11/1 – 12/31/13
submitted by Matthew Weaver

Project	Activity	Time
Board Meeting	Prepared for, attended and reported on FTZ activities	2
General Administrative and Marketing	Responding to FTZ inquiries, research	3
CPN	Meetings/conversations with Nation representatives and FTZB liaison about Magnet Site application for Iron Horse Industrial Park	4

Billable Time: 9 hours
Total Due: $450

7100 TERMINAL DRIVE
UNIT 937

OKLAHOMA CITY, OK
73159-0937

405.680.3260
fax
405.680.3311
www.foreigntradezone106.org

OKLAHOMA CITY
DEPARTMENT OF AIRPORTS

CRAIG KNUTSON
CHAIRMAN

BARRY MURPHY
VICE CHAIRMAN

ERIKA LUCAS
BOARD MEMBER

CHUCK MILLS
BOARD MEMBER

RICHARD TANENBAUM
BOARD MEMBER

MARK KRANENBURG
ADMINISTRATOR
FTZ #106 PORT DIRECTOR

CATHY O'CONNOR
CO-ADMINISTRATOR

MATTHEW WEAVER
DIRECTOR
MARKETING and BUSINESS
DEVELOPMENT

RESOLUTION

A RESOLUTION OF THE PORT AUTHORITY of GREATER OKLAHOMA CITY,
SUPPORTING THE APPLICATION FOR A FOREIGN-TRADE ZONE MAGNET SITE
AT IRON HORSE INDUSTRIAL PARK, SHAWNEE, OK. (referenced hereafter as IHIP)

WHEREAS, on June 18, 1934, Congress approved the Foreign Trade Zone Act "to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States to expedite and encourage foreign commerce and for other purposes;" and

WHEREAS, the Port Authority of Greater Oklahoma City applied to the Foreign Trade Zone Board on July 1, 1983 for a grant to establish, operate, and maintain Foreign Trade Zone (FTZ) #106 in Oklahoma City, OK, and the Board approved the application on September 14, 1984.

WHEREAS, it is in the Port Authority of Greater Oklahoma City's economic interest to encourage use of the Foreign Trade Zone authority to retain and attract cargo and to maintain, protect and grow jobs in our region; and

WHEREAS, on the 15th day of January, 2014, the Port Authority of Greater Oklahoma City (PAGOC) Board unanimously voted to approve a request to establish a Foreign-Trade Zone Magnet Site at IHIP; and

WHEREAS, the PAGOC Board desires to support in full the effort to establish said Foreign-Trade Zone Magnet Site,

NOW, THEREFORE, BE IT RESOLVED BY PAGOC BOARD:

That the PAGOC Board supports in full, by formal resolution, the submission of an Expansion Application for a Foreign-Trade Zone Magnet Sire at IHIP to the Foreign-Trade Zones Board in Washington, D.C.

PASSED, APPROVED, AND ADOPTED this the 15th day of January, 2014.

ATTEST:

_____
Craig Knutson
Chairman of the Board,
FTZ #106