

AGENDA
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
Special Meeting
Wednesday, May 13, 2015 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 March 18, 2015 Port Authority Meeting
- 3.* Accept Financial Report
4. Consultant Report – Matthew Weaver
- 5.* Ratify and approve payment of claims and invoices
6. Consider New Business
7. Receive Comments from Members, Staff and Citizens
8. Schedule of Next Meeting – Wednesday, July 15, 2015
- 9.* Adjournment

*Action Required

MINUTES
PORT AUTHORITY OF THE GREATER OKLAHOMA CITY AREA
REGULAR MEETING
March 18, 2015 - 12:00 noon
The Alliance Conference Room
Oklahoma City, OK

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

Board Members Absent: Chuck Mills

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

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

2.* Approve Minutes of January 21, 2015 Port Authority Meeting

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

3.* Accept Financial Reports

Presentation made by Susan Barrett, City of Oklahoma on Financial Reports dated February 28, 2015.

ACCEPTED. Moved by R. Tanenbaum; seconded by E. Lucas; Ayes: Tanenbaum, Lucas and Murphy

4. Consultant Report – Matthew Weaver

Presentation made by Matthew Weaver, Director of Marketing & Business Development
(see attached Consultant Report)

Discussion: General Administrative & Marketing
Citizen Potawatomie Nation
Apache Tribe
Annual Invoices
Zone Schedule Updating
Siemens – Woodward, OK

5.* Ratify and approve payment of claims and invoices. Matthew Weaver, FTZ Marketing Director's time 1/1/15 through 2/28/15 - \$1,300.00

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

6. Consider New Business

Cathy O'Connor asked Board Members for any replacement recommendations they may have for the vacant Port Authority board seat. Chuck Mills has recommended Mark Stansberry with GTD in Edmond.

7. Receive Comments from Members, Staff and Citizens
8. Schedule of Next Meeting – Wednesday, May 20, 2015
- 9.* ADJOURNMENT – 12:32 p.m.

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

*Action Required

Foreign Trade Zone #106 Marketing Activity Report & Invoice

January 1st, 2015 – February 28th, 2015

Matthew S. Weaver

Date: January, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings.
- Conversations with Robert Coleman, Economic Development Director, Midwest City, about the City's industrial park development and how FTZ incentives can be part of their marketing strategy. The park is 85% complete and they are completing the laying of railroad tracks and associated switching. This spring will be the beginning of their recruiting push and we plan on meeting to discuss giving FTZ presentations to the appropriate stakeholders.
- Apache Coffee Project: Conversations with USCBP Port Director, Marjorie Clark, about the importation/regulation of green coffee beans, on behalf of the Apache Tribe of Oklahoma. There are restrictions on transit through Hawaii and Puerto Rico. Conversations with Thomas Shon of the Apache Tribe.
- CPN: CPN Iron Horse application - Spoke with USCBP Port Director, and Camille Evans of the FTZB, about the CPN's application for Iron Horse and was informed that Camille has finally received final USCBP support of the application. Also had conversations with Kelley Francen of the CPN about the status of the application approval process. At my recommendation, Kelley attended the NAFTA Fundamentals course in Austin, Texas, to be better prepared for the marketing of their Zone Project.
- Siemens: Met with Dan Delagado and Dave Lucas, from Siemens' regional office in Houston, to discuss their proposal to OG&E regarding wind power equipment needs and the impact that could have on their Woodward facility's need for FTZ status, and about state legislation regarding tax credits. Having FTZ designation is a key incentive they will be pursuing, pending the outcome of their negotiations with OG&E.
- Invoiced current FTZ #106's Usage-Driven Sites for annual fees, totaling \$26k.
Hours worked: 16 hours x \$50/hr = \$800

Date: February, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings.
- FTZB: Conversations Camille Evans regarding required updates to FTZ #106's Zone Schedule, which was last done in 2012. Updates were completed and Camille is to post to their website's OFIS for access
- with OG&E.
Hours worked: 10 hours x \$50/hr = \$500

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 Ten Months Ended April 30, 2015

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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MEMORANDUM

The City of OKLAHOMA CITY

TO: Port Authority Board of Directors

FROM: Accounting Services Division

DATE: May 7, 2015

SUBJECT: Port Authority of the Greater Oklahoma City Area (Port Authority) Financial Schedules For the Ten Months Ended April 30, 2015 and 2014

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 ten months ended April 30, 2015 and 2014.

Current year to date receipts totaled \$18,006.65. This compares to prior year to date receipts of \$18,943.70 for a decrease of \$937.05. The decrease in receipts is due primarily to annual fees for subzone received in the prior year from Citizen Potawatomi Nation Iron Horse Industrial Park for \$3,600.00, offset by increased warehouse operator fees from Biagi Warehousing Incorporation of \$2,666.35.

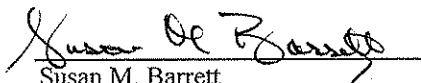
Current year to date disbursements totaled \$8,698.77. This compares to prior year to date disbursements of \$3,623.14 for an increase of \$5,075.63. The consulting contract is on an hourly basis for special projects. In both years, the Port Authority has used the service of the consultant on various projects including the Seminole, Lawton, Oklahoma City, and Woodward sub zones. Consultant fees increased \$3,325.00. Also, in the current year, the application fee for Citizen Potawatomi Nation Iron Horse Industrial Park was sent to the U.S. Department of Commerce for \$1,600.00.

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.

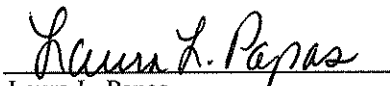
Prepared by:

Reviewed by:


Susan M. Barrett
Municipal Accountant II


Christy D. Jameson, CPA
Accounting Manager

Approved for issuance:


Laura L. Papas
Controller

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Ten Months Ended April 30,
(unaudited)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

	<u>2015</u>	<u>2014</u>
<u>RECEIPTS</u>		
Warehouse operator fees - Biagi Warehousing, Inc. -----	\$5,999.65	\$3,333.30
Annual fee - VF Jeanswear-----	12,000.00	12,000.00
Annual fee - Citizen Potawatomi Nation Iron Horse Industrial Park-----	-	3,600.00
Interest on checking -----	7.00	10.40
Total receipts -----	<u>18,006.65</u>	<u>18,943.70</u>
<u>DISBURSEMENTS</u>		
Checks issued for previous period-----	6,900.00	2,824.87
Checks issued for the two months ended April 30,		
Consultant fees - 1235 Matthew Weaver-----	-	550.00
Website fee - 1236 The Alliance for Economic Development of OKC-----	-	29.98
Checks issued for the two months ended April 30,		
Consultant fees - 1246 Matthew Weaver-----	1,300.00	-
Domain registration - 1247 The Alliance for Economic Development of OKC-----	193.85	-
Total checks issued for two months ended February 28,-----	<u>1,493.85</u>	<u>579.98</u>
Bank fees -----	304.92	218.29
Total disbursements -----	<u>8,698.77</u>	<u>3,623.14</u>
Net increase (decrease) in cash -----	9,307.88	15,320.56
Beginning cash - July 1,-----	36,859.86	21,715.19
Ending cash - April 30,-----	<u>\$46,167.74</u>	<u>\$37,035.75</u>

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2015
For the Ten Months Ended April 30, 2015
(unaudited)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

Previously Reported

1238	Matthew Weaver -----	\$1,500.00
1239	U.S. Department of Commerce -----	1,600.00
1242	Matthew Weaver -----	1,125.00
1243	Matthew Weaver -----	675.00
1244	National Association of Foreign-Trade Zones-----	1,200.00
1245	Matthew Weaver -----	800.00
	Total-----	<u>\$6,900.00</u>

Currently Reported

1246	Matthew Weaver -----	\$1,300.00
1247	The Alliance for Economic Development of OKC-----	139.85
	Total-----	<u>\$1,439.85</u>

SUPPLEMENTAL LISTING OF CHECKS ISSUED
FISCAL YEAR 2014
For the Ten Months Ended April 30, 2014
(unaudited)

PORT AUTHORITY OF THE
GREATER OKLAHOMA CITY AREA

Previously Reported

1230	Matthew Weaver -----	\$675.00
1231	National Association of Foreign-Trade Zones-----	1,160.00
1232	Matthew Weaver -----	400.00
1233	Matthew Weaver -----	450.00
1234	The Alliance for Economic Development of OKC-----	139.87
	Total-----	<u>\$2,824.87</u>

Currently Reported

1235	Matthew Weaver -----	\$550.00
1234	The Alliance for Economic Development of OKC-----	29.98
	Total-----	<u>\$579.98</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 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. The Citizen Potawatomi National Iron Horse Industrial Park sub zone fee of \$1,600.00 was activated in February, 2014 and the annual fee for Citizen Potawatomi Nation Iron Horse Industrial Park was received in April, 2014 in the amount of \$2,000.00.

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
March 1st, 2015 – April 30th, 2015
Matthew S. Weaver

Date: March, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings.
- Prepared for, attended and presented marketing activity report at Foreign-Trade Zone #106 Board of Director's meeting.
- Annual Report: Contacted Usage-Driven sites to verify information to be included in FTZ #106's Annual Report to the Foreign-Trade Zones Board (FTZB) at the U.S. Department of Commerce, and then wrote the narrative portion of the Report to support the Zone Projects activities and commitment to administering the Project. Also, spoke with personnel at the FTZB regarding the Report. This Report will be included in the FTZB's comprehensive Annual Report that is submitted to Congress for review.
- Submitted FTZ #106's Annual Report on 31 March 2015.
- Citizen Potawatomie Nation application: Spoke with Camille Evans of the FTZB, and Jim Collard of CPN, about approval/announcement date(s).

Hours worked: 20 hours x \$50/hr = \$1000

Date: April, 2015

Activities:

- General administrative and marketing activities. i.e., phone calls, emails, meetings, networking events.
- CPN application: U.S. Department of Commerce, Foreign-Trade Zone Board, Board Order 1975, designates the CPN's Iron Horse Industrial Park in Shawnee, Oklahoma, as Site 18. Signed on 3 April 2015.

Hours worked: 6 hours x \$50/hr = \$300

TOTAL Invoice

Foreign-Trade Zone #106

Marketing Activity Billing Report

Hours worked: 26 hours x \$50/hr = \$1300

Time Period: 3/1 – 4/30/15

submitted by Matthew Weaver

Project	Activity	Time
General Administrative and Marketing	Responding to FTZ inquiries, research, etc; Networking	9
Citizen Potawatomie Nation	Managing steps to gain final approval for Magnet Site designation	2
Annual Report	Work with Users, FTZB for submission	15

Billable Time: 26 hours

Total Due: \$1300