**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES**

**PONCA CITY DEVELOPMENT AUTHORITY**

**PONCA CITY, OKLAHOMA**

**May 11, 2023**

Pursuant to notice as required by law, the Ponca City Development Authority Board of Trustees met in regular meeting session at 7:30 am in Room #300, City Central Building, 400 East Central, Ponca City with Chair Nancy Laffey.

1. Called the meeting to order at 7:30 a.m.
2. ATTENDANCE ROLL CALL: Trustees: Nancy Laffey, Mark Detten, Erika Fetters, Garrett Bowers, Mark Southard, Eric Peitz and Kirk Brown. Staff members present: Lori Henderson, Aubrey Adams, Laurence Beliel, Liz Leaming, Katherine Long and legal counsel Derrin Hiatt. Guests: Janet Schwabe, Pioneer Technology Center; Calley Lamar, Ponca City News, and Tiffany Hermann, Chamber of Commerce.
3. PUBLIC COMMENT: None
4. CONSENT CALENDAR. CONSIDER AND VOTE UPON THE MINUTES FROM THE REGULAR MEETING ON APRIL 13, 2023; CONSIDER AND VOTE UPON THE FINANCIAL REPORTS FOR APRIL, 2023; CONSIDER AND VOTE UPON THE PAYMENT CLAIMS FOR APRIL, 2023.

A motion was made by Trustee Detten with a second by Trustee Fetters to approve the consent calendar for April, 2023.

 Roll: Yeas: Laffey, Detten, Fetters, Southard, Peitz, Brown, and Bowers

 Nays: None.

 Abstain: None

 Motion Carried.

1. PRESENTATION BY “PAWS ON THE PAVEMENT,” THE SELECTED BUSINESS FROM THE 2023 BUSINESS PLAN PITCH-OFF COMPETITION HELD ON APRIL 3, 2023 AT CITY CENTRAL.

Katherine Long introduced Paws on the Pavement owner Justin Mathews to the Board of Trustees and guests in attendance. Justin’s business pitch was the high score at the April 3rd Business Plan Pitch-off competition. The two other businesses pitching that day were “Talk To Me Speech Therapy” and “The Alley”. “Talk to Me” has been accepted into the incubator program at Pioneer Technology Center and The Alley is in the midst of a Phase I remodel to expand it into a 250 person capacity venue in Downtown Ponca City.

Justin introduced himself. Gave a brief overview of his business Paws on the Pavement and updated the Board on his activities since the Pitch-off which include purchasing of Quickbooks and an online booking system. Paws on the Pavement continues to grow its customer base and is currently contracting with two part-time employees to cover the current customer base. Questions were asked and answered.

1. CONSIDERATION AND POSSIBLE ACTION ON APPROVING AN EXPENSE OF $7,500 WITH HOLTZEN ENGINEERING GROUP TO PREPARE A FEASIBILITY STUDY FOR A REGIONAL WATER DETENTION ON THE EAST SIDE OF PONCA CITY AIRPORT.

Lori Henderson explained that this item is for the engineering study which will compile data and geographic information to determine the feasibility of a potential water detention facilities that will be on the east side of the airport and serve business along the east side of Ash. The city and PCDA signed an MOU in 2019 that would allow businesses in this area to expand, if suitable water detention can be constructed. This study will to ascertain options in today’s dollars and how many phases would be needed in order to accomplish the necessary work. There is a possibility of funding from the Oklahoma Department of Commerce for both the west and east detention projects. The grant application is due by May 31st and Holtzen has guaranteed project numbers to staff by the third week of May. If this item is approved today it would allow staff to work with the City to apply for grant monies for these projects within the application timeframe. Questions were asked and answered.

A motion was made by Trustee Peitz with a second by Trustee Fetters to approve an expense of $7,500 with Holtzen Engineering Group to prepare a feasibility study for a regional water detention on the east side of Ponca City Airport.

 Roll: Yeas: Laffey, Detten, Fetters, Southard, Peitz, Brown, and Bowers

 Nays: None.

 Abstain: None

 Motion Carried.

1. CONSIDERATION AND POSSIBLE ACTION ON APPROVING AN EXPENSE OF $199,025 TO MATCH GRANT FUNDING FROM THE OKLAHOMA DEPARTMENT OF COMMERCE FOR THE COMPLETION OF THE FIFTH-FLOOR PORTION OF PROJECT CLEAN BREEZE IN THE CITY CENTRAL BUILDING

Staff has mentioned during updates on the Clean Breeze project that additional funds may become available from the Department of Commerce to complete the fifth floor as a “Phase II” project. Commerce has reached out and said that there are additional funds available but they will require a 50/50 match. The fifth floor, which is the largest floor with the most mixer boxes and thermostats, was the only floor not included in Clean Breeze and that was due to funding. The cost to do the fifth floor will be $388,050 with an additional $5,000 for engineering costs. The PCDA match will be $194,025 plus an additional $5,000 for Sudlow Engineering for a total of $199,025.

Henderson stressed that this would complete the project for all floors of the building, updating an antiquated HVAC system and bringing all floors into alignment with modern HVAC services. There will be cost savings going forward as staff will be able to digitally control the building down to the mixer boxes in each office. Total PCDA investment with the approval of these funds would be $305,000 (and change) for a $1.6 million project. Questions were asked and answered.

A motion was made by Trustee Detten with a second by Trustee Peitz to approve an expense of $199,025 to match grant funding from the OK Dept of Commerce and fund the additional engineering work needed for the project to complete the fifth floor portion of Project Clean Breeze in the City Central Building.

 Roll: Yeas: Laffey, Detten, Fetters, Southard, Peitz, Brown, and Bowers

 Nays: None.

 Abstain: None

 Motion Carried.

1. PRESENTATION AND DISCUSSION OF THE DRAFT 2023-2024 PCDA BUDGET

Henderson highlighted several aspects of the draft budget, and referenced her presentation in April. For revenues, the sales tax projection will be taken directly from the city’s budget per PCDA board policy. Other revenue includes building leases from Cookshack, NextGen and Log10. Interest income is set to reduce as there will be less money invested due to the expenses of “Duke.” City Central Income remains the same. Other expenses such as insurance will go up a little.

Marketing remains much the same, with a City Central marketing project for meeting and event space being a focal point. Economic databases include ESRI, Chumara, Reonomy which is helpful for commercial property research. New industry expenses include a land purchases without a specific dollar amount, and potential incentives are also without a dollar amount. Past practice has been to leave those line items without an amount in order since they are subject to future negotiations.

Business retention and expansion is increased in the draft budget to include funds for additional Trade Show Brigade missions in other industries for the coming year. The Industry Certification Assistance Program line program(ICAP) has increased to be able to support at least four companies.

Small business development has remained the same with the addition of a Business Plan Bootcamp, though IENetwork’s funding has been removed.

Ponca Works includes funding for the High School internship coordinator, first approved by the PCDA board in the fall of 2022. There is also new funding for matching a potential “Heart and Soul” grant application should PCDA receive the grant.

The City Central budget has increased mostly due to rising utility costs, which is the largest expense for the building. Income is very close to being even with expenses. City Central is currently sitting at 84% occupancy.

Capital expenses are very similar to this year with the exception of the HVAC fifth floor completion and the possibility for a Maker Space/Fab Lab. Liz Leaming is working to identify a building for purchase and equipment costs for that potential program. The City Central elevator replacements are included in capital expenses as the OTIS contract is set to expire in the Spring of 2024. Replacing the elevators will include engaging an engineer this Fall to prepare construction drawings and specifications.

Trustees were asked to review the draft budget. Consideration and possible action on approving it is scheduled for the June 8th PCDA board meeting.

1. CONSIDERATION AND POSSIBLE ACTION ON APPROVING AN EXPENSE WITH CBEW GROUP OF CUSHING TO PERFORM AN AUDIT OF PCDA FOR THE FISCAL YEAR 2022-2023 AT AN EXPENSE NOT TO EXCEED $6,500.

Lori stated that CBEW Group has done the audit for PCDA for several years. PCDA has sought new proposals in the past, but CBEW has always been the lowest by several thousand dollars. Staff recommends approval. Trustees agreed that sending out a Request for Proposal (RFP) every few years to check the market was a best practice and that an RFP for the audit should be done next year. Questions were asked and answered.

A motion was made by Trustee Detten with a second by Trustee Brown to approve and expense with CBEW Group to perform an audit of PCDA financials for the fiscal years 2022-2023 at an expense not to exceed $6,500.

 Roll: Yeas: Laffey, Detten, Fetters, Southard, Peitz, Brown, and Bowers

 Nays: None.

 Abstain: None

 Motion Carried.

1. UPDATE ON CONSTRUCTION PROJECTS

Laurence provided an update on Duke. Laurence stated that Duke is about 80% complete, with the inside being 95% complete. The roof seam that eliminates leaks for the office area has been hard to find. The parking lot has still not been poured as the finished elevations of the lot are being completed by a civil engineer. Laurence is working on the final punch list for the contractors, both visible and not visible. At this point, the estimated completion date of the project is July 31st.

Board members inquired about a building walk through to see the building sometime in the next month after all hard hat work has been completed. Questions were asked and answered.

Lori Henderson updated on the Clean Breeze Project. The lower level and the first floor are completely online and have new controls. The second floor should be finished next week. Part of the third and fourth floor have mixer boxes completed. The ceiling work should be completed by the end of May and the thermostats completed by mid-June. For the fifth floor, after the additional funds are approved through Commerce, equipment and supplies will be ordered. The hope is the crew will finish this project and be able to move to the fifth floor with very little down time.

1. STAFF REPORTS

Liz Leaming updated the board on the upcoming Internship and Career Fair PCDA hosted at PoHi on Tuesday, May 2nd. There were 22 employers and it was open to Sophomores and Juniors for next year internships as well as Seniors looking to enter the job market. Students were able to walk through during all three lunch periods at the High School.

Katherine updated the board on Tacofest which as a celebration of Cinco de Mayo on Saturday, May 6th in Central Fare and the Courtyard. This was sponsored by the Hispanic Oklahoma Latino Association (HOLA), North Central Area. Two murals were completed by the kids, there was street food and most of the food vendors sold out by 5:30. Conservatively, over 400 people attended the celebration. The association meets every month as they plan the Hispanic Heritage festival on October 15th at City Central.

1. ENTERTAIN A MOTION TO ENTER INTO EXECUTIVE SESSION PURSUANT TO TITLE 25, SECTION 307 OKLAHOMA STATUTES TO DISCUSS PROJECTS 21-08, 23-03, 23-05, 23-06, YEL, FEEDER, GREEN GIANT, ELEMENT, REVIVAL, NEW CONTINENT, GOLDFINGER AND INFINITE SPRING AS WELL AS POTENTIAL REAL ESTATE TRANSACTIONS INVOLVING PROPERTY LOCATED AT THE NORTHEAST CORNER OF WAVERLY AND SYKES.

A motion was made by Trustee Detten with a second by Trustee Fetters to enter into executive session.

 Roll: Yeas: Laffey, Detten, Fetters, Southard, Peitz, Brown, and Bowers

 Nays: None.

 Abstain: None

 Motion Carried.

 The board returned to open session at 8:48 a.m.

1. NEW BUSINESS;
2. ENTERTAIN A MOTION TO ADJOURN. Motion was made by Trustee Southard with a second by Trustee Laffey, followed by unanimous vote to adjourn at 8:52 a.m.

**MINUTES OF THE EXECUTIVE SESSION OF THE BOARD OF TRUSTEES OF**

**THE PONCA CITY DEVELOPMENT AUTHORITY**

**May 11, 2023**

Pursuant to notice as required by law, the Ponca City Development Authority met in executive session at 8:18 a.m. at City Central in Room #300, 400 East Central, Ponca City, Oklahoma with Chair Nancy Laffey presiding.

Present: NANCY LAFFEY, CHAIR

 MARK DETTEN, TRUSTEE

 ERICA FETTERS, TRUSTEE

 GARRETT BOWERS, TRUSTEE

 KIRK BROWN, TRUSTEE

 MARK SOUTHARD, TRUSTEE

 ERIK PEITZ, TRUSTEE

 LORI HENDERSON, PCDA STAFF

 Laurence beliel, pcda staff

Liz leaming, pcda staff

AUBREY ADAMS, PCDA STAFF

KATHERINE LONG, PCDA STAFF

DERRIN HIATT, ATTORNEY

At 8:18 a.m. Trustee Detten made a motion with a 2nd from Trustee Fetters unanimously carried to enter into executive session pursuant to Title 25, Section 307 Oklahoma Statutes to discuss Projects 21-08, 23-03, 23-05, 23-06, Yelp, Feeder, Green Giant, Element, Revival, New Continent, Goldfinger and Infinite Spring, as well as potential real estate transactions involving property located at the northeast corner of Waverly and Sykes.

Lori Henderson, PCDA staff, led the discussion and was provided direction for the continuing negotiations with the above companies and real estate transactions, relative to economic development projects.

At 8:48 a.m. Chair Laffey declared that the Executive Session was complete and returned the meeting to open session.

**Respectfully submitted by:**

**Katherine Long**