

# TULSA PUBLIC FACILITIES AUTHORITY

**Regular Meeting: July 24, 2014**

## MINUTES

Trustees of the Tulsa Public Facilities Authority met for its Regular Meeting on Thursday, July 24, 2014 at 4:30 PM in RM 10-205 at City Hall at One Technology Center. Due notice was posted at 9:49 AM on July 23, 2014 with the City Clerk's Office, Suite 260, City Hall at One Technology Center, Tulsa, Oklahoma.

### **1. Call to Order.**

Upon obtaining a quorum, Mr. Cremin called the meeting to order at 4:30 PM

#### TRUSTEES PRESENT

J. Patrick Cremin, Chairman  
Marcia MacLeod, Vice Chairman  
Chuck Blue, Secretary  
Jim Twombly, Mayoral Designee  
George Sartain

#### TRUSTEES ABSENT

Dewey F. Bartlett, Jr. Mayor

OFFICERS PRESENT: Michael P. Kier, Treasurer & Assistant Secretary  
Wendy Z. Martin, Assistant Secretary

OTHERS PRESENT: Roger Acebo, City Planning & Development; Tom Simpson, SMG; Casey Sparks, SMG; Clay Darnell, City Finance; Tom Baker, Downtown Coordinating Committee; Christy Basgall, City Finance; Jean Lu, City Finance; Crystal Keller, City Economic Development; Clay Bird, City Economic Development; Ellen Hinchee, City Legal

### **2. Approval of Minutes from the May 22, 2014 Special Meeting.**

No changes to the minutes were requested.

Motion: Sartain moved approval of the minutes of the May 22, 2014 Special Meeting.

Second: Blue

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

### **3. Approval of the Tulsa Downtown Coordinating Council (DCC) recommendation to open the first level of the One Technology Center Garage for weekend, evening and public event parking. (Tom Baker, DCC)**

Mr. Baker presented the Tulsa Downtown Coordinating Committee's proposal and recommendation. The funds for the pilot will come from the Tulsa Downtown Stadium District funds. If it works, it's expected to be self-sustaining. No City funds will be spent for the project. Mr. Hogan explained some of the details of how the trial program will be executed.

Motion: Twombly moved approval of the pilot program to open the first level of the One Technology Center Garage for weekend, evening and public event parking.

Second: MacLeod

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

**4. Approval of the Fifteenth Amendment to the lease entered into among the City of Tulsa, Tulsa Public Facilities Authority, and Bank of Oklahoma on April 7, 2008 for Office Space at One Technology Center. (Michael P. Kier, City of Tulsa)**

Mr. Kier presented this item. He explained that the lease is not ready for execution at this time, but it is anticipated that the lease is expected to be ready for consideration at the next meeting.

**5. City of Tulsa Resolution requesting that the trustees of the Tulsa Public Facilities Authority evaluate the financial status of Once Technology Center, examine the City of Tulsa's current and future financial obligations in One Technology Center Relative to the other potential options, and report to the Mayor and City Council on or before January 1, 2015. (Michael P. Kier, City of Tulsa)**

Mr. Kier reported on this item explaining that the City Council has placed this resolution on their Regular 6:00 PM meeting agenda this evening.

*Without objection, the Chairman moved items 8 and 9 ahead of items 6 and 7 on the Agenda.*

**6. Consider a motion and vote to enter Executive Session pursuant to Title 25 O.S. Section 307(C)(10) to discuss a development proposal for land owned by Tulsa Public Facilities Authority at 71st and Riverside and which includes a determination that public disclosure of the matter would violate the confidentiality of the business (Clay Bird, City of Tulsa).**

After hearing items 8 and 9, the Chairman took up item 6 and asked for the advice of Counsel. Ms. Hinchee explained that the item on the agenda is appropriate for executive session if public disclosure would impair the confidentiality of the business

to be discussed. She added the both she and Mr. Bird have seen information from the proposer that would support that need.

Motion: Sartain moved to enter Executive Session pursuant to Title 25 O.S. Section 307(C)(10) to discuss a development proposal for land owned by Tulsa Public Facilities Authority at 71st and Riverside and which includes a determination that public disclosure of the matter would violate the confidentiality of the business.

Second: Blue

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

After the motion, in addition to the Trustees and officers present, only the following people remained for the discussion: Clay Bird, Roger Acebo, Crystal Keller, and Ellen Hinchee.

**7. Leave Executive Session on discussion of a development proposal for 71st & Riverside for the purpose of taking any appropriate related action.**

Upon conclusion of the Executive Session held for item 6, the meeting was opened to the public.

Motion: Blue moved that the members of TPFA affirm that the information presented did support the need for an executive session, that nothing other than the development proposal for 71<sup>st</sup> & Riverside was discussed, and that the members leave executive session.

Second: MacLeod

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

Motion: Twombly moved that Clay Bird be hereby directed to proceed with initiating negotiations pursuant to the instructions given during executive session and to report back to TPFA not later than its next meeting.

Second: Sartain

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

Mr. Bird inquired and the members clarified that the instructions to initiate negotiations was not meant to be exclusive to a particular party.

**8. TPFA One Technology Center Comparative Financial Statements for Eleven Months Ended May 31, 2014 and 2013. (Clay Darnell, City Finance Department)**

After item 4, Mr. Darnell presented the One Technology Center financial statements to the Authority members.

**9. BOK Arena & Tulsa Convention Center Financial Reports for period ending May 31, 2014. (Tom Simpson, SMG)**

After item 8, Mr. Simpson presented the Arena and Convention Center financial reports to the Authority members.

Regarding the Arena report, the members had several questions related to management fees, including why they were higher than budgeted. Mr. Simpson explained that the budgeted amount is only for the base management fee and does not include the incentive fee. Toward the end of the year SMG begins accruing for the anticipated incentive fee bonus. The incentive fee is based on three categories, attendance, gross and net. They are paid out at 60%, 80% or 100% in those three categories. This year it is anticipated that the attendance and gross will be paid at 100% and the net to be 60% or 80%. It is expected the incentive will be approximately \$110 or \$119 thousand. A partial accrual is reflected in the May statements.

After hearing Mr. Simpson's report, the Chairman took up item 6.

**10. Discussion of upcoming agenda items:** No discussion.

**11. Next Regular Meeting: August 28, 2014:** No discussion.

**12. Adjournment.**

Motion: At 5:55 PM, MacLeod moved that the meeting be adjourned.

Second: Twombly

Vote: The motion carried with the following votes:

Aye: Blue, Cremin, MacLeod, Sartain, and Twombly

Nay: None

  
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Wendy Z. Martin, TPFA Assistant Secretary

**August 28, 2014**  
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Date Approved by Authority