



City of Broken Arrow

City Hall
220 S 1st Street
Broken Arrow OK

Minutes Special Broken Arrow Economic Development Authority 74012

Chairperson Debra Wimpee
Vice Chair Christi Gillespie
Trustee Johnnie Parks
Trustee Lisa Ford
Trustee Justin Green

Monday, July 15, 2024

Council Chambers

1. Call to Order

Chairperson Debra Wimpee called the meeting to order at approximately 7:51 p.m.

2. Roll Call

Present: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

3. Consideration of Consent Agenda

- A. 24-110 **Approval of the Broken Arrow Economic Development Authority Meeting Minutes of June 17, 2024**
- B. 24-845 **Approval of the May 2024 Broken Arrow Economic Development Corporation's Monthly Report**
- C. 24-846 **Notification of the Aspen Ridge Development June 2024 Update**
- D. 24-926 **Ratification of the Claims List Check Register Dated July 08, 2024**

Chairperson Wimpee asked if there were any items to be removed from the Consent Agenda. There were none.

MOTION: A motion was made by Lisa Ford, seconded by Johnnie Parks.

Move to approve the Consent Agenda

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

4. Consideration of Items Removed from Consent Agenda

There were no Items removed from the Consent Agenda; no action was taken or required.

5. Public Hearings, Appeals, Presentations, Recognitions, Awards

There were no public hearings, appeals, presentations, recognitions, or awards.

6. General Authority Business

- A. 24-897 **Consideration, discussion, and possible approval of and authorization to execute a Contract for Economic Development Services between the Broken Arrow Economic Development Authority and the Broken Arrow Economic Development Corporation**
Economic Development Director Jennifer Rush stated this was a contract for economic development services with the Economic Development Corporation. She explained the last contract was a three-year contract and at the last meeting an extension was granted. She stated in redefining the agreement, Mr. Spurgeon, herself, Norm Stevens, the chair of the Economic Development Corporation Greg Graham, Vice Chair Brandy Moore, past Chair Davis Robson, At-Large Member Ted Cundiff, and the Interim CEO Jim Fram held several meetings to review the contract. She discussed major changes to the contract including the deletion of tourism services; addition of a cure clause giving City Manager the authority to request an investigation into services; the dates for biannual presentations were changed; addition of a quarterly report provided by the Economic Development Corporation regarding

what taxpayer funds were being spent on; the amount changed to \$425,000 dollars annually subject to appropriations for the first 24 months of the contract (this was a decrease due to removal of tourism services); the last 12 months of the contract an increase not to exceed 10 percent of the original contract would be recommended. She stated other items added into the contract included a subtraction of funds paid due to the number of fulltime employees; the Economic Development Corporation would retain five fulltime employees including the CEO; and if the EDC maintained fewer than five employees continuously for 45 days there would be a reduction equal to one-twelfth of the base salary of each vacant position.

Vice Chair Christi Gillespie stated she did not see it as a taxpayer's responsibility to pay when the EDC had a vacancy. She asked what happened to the funds which were not being used to pay employees when a position was vacant.

Ms. Rush explained the EDC would have the opportunity to employ consultants or other individuals temporarily to be able to continue to provide services and this would give the EDC the ability to make sure the line items in the contract were being fulfilled.

Vice Chair Gillespie stated she was okay with the quarterly itemized statement, but over the past five years she requested itemized statements multiple times, but only received it one time. She stated she wanted to be sure zero dollars of what the City was investing in the EDC was going to anyone involved in the Chamber PACs (Political Action Committee) as this would be totally unethical. She noted she was unsure how this was controlled because there was so much crossover between the EDC and Chamber of Commerce. She noted this would require some trust which she did not have right now. She stated she wanted to be sure no taxpayer dollars were being spent on a PAC.

Ms. Rush stated the contract indicated "no public funds would be used to compensate any employee and/or vendor working on a Political Action Committee on behalf of the Chamber or the EDC." She stated there was also a piece which gave BAEDA the right to annually cause an audit by an independent auditor to be made of the records of funds appropriated to the EDC which were given through BAEDA.

City Manager Spurgeon stated the interim CEO, and the Vice President of the EDC were present, as well as Davis Robson, former Chair, who was in nearly all of the negotiation meetings. He stated in every single meeting the fact that no City funds could be spent, and that includes personnel, on a PAC. He stated the trust would have to be when the new CEO and President was chosen. He noted the PAC had an important role in terms of public policy and legislation. He stated regarding the reporting he would sit down with Amber and his office was given authority to request investigation of something outside of the quarterly statement submission. He stated he felt really good about the conversations and the meetings held. He noted while there was no perfect document he felt this was a really good contract. He noted the EDC provided important services to the City, but accountability was important to City Council, and this was discussed heavily during the meetings. He stated the deliverables were clearly defined in the contract and the reports would be set up to focus on the deliverables of the contract. He noted this contract was an important part of the overall economic growth of Broken Arrow and he was glad the Authority was asking questions; he had asked the same questions and addressed them.

Vice Chair Gillespie stated she was glad to hear there were clear deliverables, and she wanted to see the actual numbers associated with the deliverables.

Chair Wimpee stated the other thing she wanted to hear about was, if Broken Arrow did not win a contract, why did it not win the contract, so the City could address these reasons, especially if the reasons for loss were the same for multiple contracts.

City Manager Spurgeon stated there was language in the contract to cover this as well.

Ms. Rush concurred. She stated the report would be on the next BAEDA Agenda and she believed the Authority would really like the report.

Vice Chair Gillespie stated it was important for the City to understand how it could improve to ensure the City was not passed over for the next contract.

City Manager Spurgeon stated sometimes the company would not share why it chose not to move forward in the City of Broken Arrow, and the City had to try to glean the reason; however, if the company indicated it liked the site, but there was no water or sewer, then the City could look at long range plans to address this lack.

Trustee Justin Green stated while some of the concerns of the past were valid, the Economic Development Corporation the City was dealing with now had changed; there was new leadership in place, new vision, new eyes, and he believed the City would be successful moving forward with this Contract.

Mr. Davis Robson stated he was involved in the majority of the conversations, and each conversation was a minimum of 2.5 to 3 hours, and there were a lot of things brought to his attention during these conversations which he and the EDC were not necessarily aware of. He stated he was very excited about how the conversations went to get to this agreement. He stated there were initiatives in place to keep the lines of communication open with the Authority, and the EDC looked to move forward in the right direction to fulfill the deliverables set forth. He stated he looked forward to a good partnership from this point forward.

Mr. Jim Fram stated the key to economic development was partnership between the City, Chamber, and Economic Development Corporation, and that all were moving in the same direction. He noted this was important for site location consultants and transparency was key. He stated he was reviewing some new secure software which would enable the City Manager and Ms. Rush to go in and see what the EDC was hearing, seeing, doing. He stated the EDC also had meetings with finance to put together the detailed report regarding spending for the Authority. He stated he was anxious to work with the Authority. He stated he appreciated the City Manager and Chair Wimpee, and he enjoyed working with everyone. He noted he did not believe he would be present for more than a few months but was happy to be working with the Broken Arrow Economic Development Corporation, the City and BAEDA.

MOTION: A motion was made by Christi Gillespie, seconded by Lisa Ford.

Move to approve and authorize execution of a Contract for Economic Development Services between the Broken Arrow Economic Development Authority and the Broken Arrow Economic Development Corporation

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

7. Remarks and Inquiries by Governing Body Members

There were no remarks or inquiries by Governing Body Members.

8. Remarks and Updates by City Manager and Staff

There were no remarks or updates by City Manager or Staff.

At approximately 8:07 p.m. Chair Wimpee noted there was an Executive Session and called for a motion.

MOTION: A motion was made by Christi Gillespie, seconded by Justin Green.

Move for a brief recess to clear the room for Executive Session

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

At approximately 8:12 the Authority entered into Executive Session.

MOTION: A motion was made by Johnnie Parks, seconded by Justin Green.

Move to enter into Executive Session

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

9. Executive Session

Executive Session for the purpose of confidential communications between the Broken Arrow Economic Development Authority, the City Manager, the City Attorney, and any other pertinent staff members discussing, conferring on matters and possible action in open session pertaining to:

1. Economic development and specifically discussing an economic development proposal involving real property located 210 S Main Street in Tulsa County, State of Oklahoma, to include the possible transfer of property, financing, and the creation of a proposal to entice business to locate within the City of Broken Arrow, and taking appropriate action in open session, including direction to the City Manager and Staff to negotiate for an economic development proposal, under 25 O.S. § 307(C)(11).

In the opinion of the City Attorney, the Authority is advised that the Executive Session is necessary to discuss a potential economic development and disclosure will seriously impair the ability of the public body to process the economic development proposal in the public interest. After the conclusion of the confidential portion of executive session, the Authority will reconvene in open meeting, and the final decision, if any, will be put to a vote.

MOTION: A motion was made by Christi Gillespie, seconded by Justin Green.

Move to find the Executive Session necessary

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee

10. Adjournment

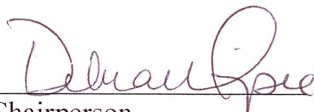
The meeting was adjourned at approximately 8:40 p.m.

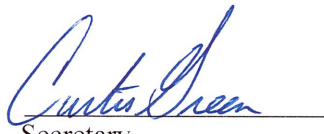
MOTION: A motion was made by Lisa Ford, seconded by Johnnie Parks.

Move to adjourn

The motion carried by the following vote:

Aye: 5 - Justin Green, Lisa Ford, Johnnie Parks, Christi Gillespie, Debra Wimpee


Chairperson


Secretary

