

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES
PONCA CITY DEVELOPMENT AUTHORITY
PONCA CITY, OKLAHOMA
April 28, 2022**

Pursuant to notice as required by law, the Ponca City Development Authority Board of Trustees met in special meeting session at 7:30 am at City Central, 400 E. Central Ave, Ponca City, OK 74601 in the Summit Conference Room with Chair Nancy Laffey presiding.

1. Chair Laffey called the meeting to order at 7:30 a.m.
2. In attendance for the meeting was Chair Nancy Laffey, Board Secretary Mark Detten, Trustees Garrett Bowers, Lanita Chapman, Erica Feters and Eric Pietz. Guests were Ponca City Mayor Homer Nicholson and Craig Stephenson, City Manager. PCDA staff members present were Laurence Beliel, Lori Henderson, Liz Leaming, Aubrey Adams, Kat Long and David Myers.
3. CONSIDERATION AND POSSIBLE ACTION ON APPROVING THE GUARANTEED MAXIMUM PRICE (GMP) WITH HEMBREE AND HODGSON CONSTRUCTION FOR A SPEC BUILDING (“DUKE”) TO BE LOCATED AT 2201 N. HALL BOULEVARD IN THE AMOUNT OF \$4,319,618.60

As this is a special meeting, David Myers reminded Trustees that only the items on the agenda may be considered or discussed at this meeting. He also noted that while there was an executive session scheduled today, one will not be necessary. The Guaranteed Maximum Price, or GMP for spec building “Duke,” located at 2201 N. Hall Boulevard in Ponca City, has been presented by the Construction Manager at Risk (CMAR), Hembree and Hodgson. The GMP for the project is \$4,319,618.60. Once a GMP is approved by both the PCDA Board of Trustees and Hembree and Hodgson, the CMAR will start the contracting process with the subcontractors and the construction phase of the project will begin. When public bids were opened on April 14, 2022, there were no bids received for flooring or exclusively for plumbing. There was a combined bid received from a local contractor for mechanical, electrical and plumbing. The CMAR estimates that the plumbing portion of that bid is twice, or more than \$200,000 than his estimate, and he recommends that PCDA rebid the plumbing to receive an exclusive plumbing bid. Staff is recommending that PCDA follow the CMAR’s recommendation and rebid both the plumbing and the flooring. The CMAR’s GMP includes his estimated amount for flooring and plumbing and he is confident that the cost of these two areas will come in as projected. If not, a change order would be required. David presented five possible scenarios which the board could consider including accept the GMP and recommendation to rebid flooring and plumbing, accept the combined bid and increase the GMP by \$200,000 or more, reduce the size of the building, eliminate major items such as the floor, or cancel the project. There was considerable discussion, questions and debate, most of which was about the timing of the project and whether or not delaying the project would raise or decrease the costs. Significant concerns were raised by many Trustees about the cost as well as the need for more industrial space in Ponca City.

The CMAR had also provided a list of “Value Engineering” or VE items that could be negotiated down with various subcontractors. This action, however, cannot happen until the GMP is approved. Trustees asked questions and discussed the items.

A motion was made by Trustee Detten to approve the GMP with Hembree and Hodgson for spec building "Duke" at \$4,319,618.60, to direct the staff to work with the CMAR to pursue Value Engineering items that could reduce the cost, and to delegate to Executive Director David Myers the authority to sign all construction related documents and agreement that may be necessary to complete the project.

Discussion was had on this item. Questions were asked and answered.

Roll: Yeas: Detten, Laffey, Bowers, Chapman and Fetters

Nays: Peitz

Motion carried

4. CONSIDERATION AND POSSIBLE ACTION ON APPROVING THE GUARANTEED MAXIMUM PRICE (GMP) WITH HEMBREE AND HODGSON CONSTRUCTION FOR THE EXPANSION OF THE PCDA-OWNED BUILDING AT 2405 SYKES BOULEVARD (COOKSHACK EXPANSION PROJECT) IN THE AMOUNT OF \$1,010,763.60

There is an agreement in place with Cookshack that PCDA will move ahead with this project if the GMP comes in at no more than 10 percent over what the estimate cost was. This GMP is 7% above so this falls in that agreed percentage. Stuart Powell has seen the GMP and the bids and understands the Cookshack obligations to raise in lease rates. Staff recommends approval.

A motion was made by Trustee Detten and a second from Trustee Peitz to approve the GMP with Hembree and Hodgson Construction for the Cookshack expansion in the PCDA owned building in the amount of \$1,010,763.60 and to delegate to Executive Director David Myers the authority to sign all construction related documents and agreement that may be necessary to complete the project.

Roll: Yeas: Detten, Laffey, Bowers, Chapman, Peitz and Fetters

Nays: None

Motion Carried

5. ENTERTAIN A MOTION TO ENTER INTO EXECUTIVE SESSION PURSUANT TO TITLE 25, SECTION 307 OKLAHOMA STATUTES TO DISCUSS A POTENTIAL PROPERTY TRANSACTION REGARDING A BUILDING LOCATED AT 1405 N. WAVERLY IN PONCA CITY, OKLAHOMA.

The executive session listed on the agenda was cancelled. No action was taken on this item.

6. ENTERTAIN A MOTION TO ADJOURN.

Trustee Fetters made a motion to adjourn the meeting which was seconded by Chair Laffey. Chair Laffey asked if there was any objection to the motion and, seeing none, declared the meeting adjourned at 8:15 a.m.

Respectfully submitted by:

Katherine Long