

**CONTRACT MANAGEMENT COMMITTEE MEETING  
Lorain Port Authority  
January 10, 2017**

**Committee:** Ms. Carr; Messrs. Mullins, Nielsen and Zellers

**Board Members:** Mrs. Cook; Messrs. Bansek and Davila (6:47 p.m.)

**Staff:** Richard Novak, Executive Director  
Yvonne Smith, Accountant  
Tiffany McClelland, Economic Development Specialist

**Guests:** Rick Payerchin, Morning Journal (6:45 p.m.)  
Mary Springowski  
Jerry Doniven  
Tom Brown, Executive Director Elect

- I. **Roll Call** - The meeting was called to order at 6:36 p.m. by Committee Chairman Brady Mullins. Roll call indicated a quorum was present.
- II. **Disposition of Minutes.** The minutes of December 13, 2016 Contract Management Committee Meeting were presented for approval. Motion by Mr. Nielsen to accept the minutes. Support by Ms. Carr. Motion carried.

III. **Report of Chairman.**

- A. Contract Expenditure Threshold. Mr. Novak stated the Agency's current level for expenditures is \$2,500.00. Mr. Novak further stated any amount below that requires three (3) quotes and anything above \$10,000.00 to \$50,000.00 three written quotes were needed. Mr. Novak is trying to make this transition as easy as possible for the new Director and to save him some time and effort. Mr. Novak requested that it be presented to the Board these thresholds be raised.

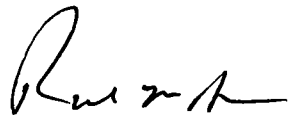
Ms. McClelland explained the current way of compiling bids and the change that is being recommended that the first section of \$2,500.00 and under be eliminated. For the \$2,500.00 to \$10,000.00 to be three (3) documented quotes. Ms. McClelland further stated the Agency has preferred contractors. Mr. Mullins questioned competitiveness. Mr. Novak stated venturing out to other contractors for our sites and facilities quite often leads to correcting the problems that other firms have done. Mr. Mullins stated projects need to be bid out at a threshold of \$5,000.00. Mr. Novak agreed. Mr. Mullins made a motion to take to the Board to increase the level for getting three (3) verbal quotes from \$2,500.00 to \$5,000.00 or greater should be bid out. Mr. Novak stated this should also be sent to the ByLaws and Personnel Committee for approval. Mr. Mullins informed the Committee that if \$5,000.00 is the threshold, it is the discretionary on the Executive Director and then if it exceeds the budget that was created for last year it needs to be reviewed. Mr. Nielsen made a motion to send to the ByLaws and Personnel Committee recommending to change the ByLaws to raise the amount that the Executive Director's discretion for increasing the bid amount

from \$2,500.00 to \$5,000.00. Anything over \$5,000.00 must have three (3) written proposals and the preferred vendors falls into that same category.

**IV. Other Business.** None.

**V. Adjournment.** There being no further business to come before the Contract Management Committee Meeting Mr. Nielsen made a motion to adjourn. Support by Ms. Carr. Motion carried. The meeting was adjourned at 7:13 p.m.

  
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Brad Mullins, Chairman

  
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Richard M. Novak, Executive Director