

LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
January 9, 2018

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Davila, Kuszniir, Mullins, Nielsen (7:02 p.m.), Zellers and Zgonc

Staff: Tom Brown, Executive Director
Yvonne Smith, Accountant
Tiffany McClelland, Economic Development Specialist
Kelsey Leyva, Office Manager
Michael Brosky, Esq.

Guests: John Schrenk, Citizen
Dennis Flores, Lorain Second Ward Councilman
Tim Long, Long EDA
Joe Long, Long EDA
Rick Payerchin, Morning Journal

I. Roll Call

- A. The meeting was called to order at 7:00 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Report of Officers

A. Chairman

- 1. Correspondence received:
 - a. Lorain Historical Society Indoor Yard Sale: Mr. Brown said the Lorain Historical Society submitted a request to use the Transportation Center for the better part of a week in March for their Indoor Yard Sale. He said he doesn't see it being an issue as it is prior to our summer season and the likelihood of snow being a problem is slim. The Historical Society is offering to pay for their use of the electricity and we currently partner with them to offer the History Excursions during the summer. Mr. Brown said nearly every trip was sold out in 2017. He said he thinks it's a great partnership and collaboration. Mr. Bansek moved to waive the deposit and

rental fees for the Lorain Historical Society. Ms. Carr seconded. Motion carried.

- b. Toni Jones' proposal for joint music venture: Mr. Brown said Ms. Toni Jones is originally from Lorain and now lives in Las Vegas, Nevada. She has run the Blessings Music Festival that was previously in Lorain for five years. Scheduling issues prevented Ms. Jones from coming to Lorain in 2017. What she is offering is a joint venture to put on concert in coordination with her. Mr. Brown said the Port has gotten out of the promotion and concert business. We now have promoters come in and put on concerts and we've been happy. Mr. Brown recommends sticking with that arrangement or business model moving forward. He anticipates giving Ms. Jones a call tomorrow but wanted board input first. The proposal isn't a bad deal, but Mr. Brown doesn't recommend the Port marketing locally and regionally, providing security and providing clean-up for a 60/40 split. Mr. Brown said he was planning to tell Ms. Jones the Port would be happy to have her if she ran the concert on her own. Mr. Mullins said he could see it being tricky to schedule considering Mr. Bob Early's Rockin' on the River schedule. Mr. Brown said Ms. Jones has made it work in the past. She picks a Saturday and works around Mr. Earley's schedule, but Mr. Brown doesn't want the Port to venture back to marketing concerts and selling tickets. Mr. Zellers clarified by saying the Port is more than happy with Ms. Jones doing what she's done in the past, but we're not interested in partnering. Mr. Brown said we furnish the site and we're good at it.
- c. Captain Training Class: Mr. Brown said another request he recently received is from the group that offers the captain's training classes. A majority of our captains went through this program. The group is looking for meeting space for a few months while Mr. Joe Poplstein conducts the training classes. Mr. Brown said he planned to make arrangements between our offices and the Train Station to accommodate them on Monday, Tuesday and Thursday nights to foster that relationship. Ms. Carr asked for clarification on the arrangements for Tuesday nights. Mr. Brown

said he's already explained to Mr. Poplstein that the class will have to work around the Port's schedule and he was fine with that. The Lorain Sailing & Yacht Club is under construction and is why the class needs a new place to meet.

B. Executive Director

1. Tim Long, Long EDA: Mr. Brown said last month the Contract Management Committee discussed the contract with Long EDA. The two-year contract expired in December 2017 and included the option to renew for another year if the board remained pleased with the retainer. Many board members expressed their interest in meeting Mr. Tim Long and bettering understanding the services he provides. T. Long thanked the board for allowing he and his son, Joe Long, to give a presentation about what they do for the Port. T. Long said he's been working with the Port unofficially for about 25 years. He said he believed the relationship was official for about the last four years, since 2014. Structuring and financing public-private projects has been the majority of T. Long's career. Originally from Minnesota, T. Long moved to Ohio in the late 1980s to help create enterprise bond funds. In 2011, T. Long created his own firm doing the same things as a municipal advisor. Mall of America in Minnesota was one of the projects T. Long assisted with. Whenever the Port needs help on a project, T. Long is there to assist. Mr. Mullins asked T. Long to mention some of the larger projects he's worked on with the Port. T. Long named corporate-lease financing and the Camaco project. He said he's also been involved in several other smaller TIF projects with the City of Lorain and the Port. He estimated that Long EDA has helped with around 20 projects, but not all of them have moved forward. T. Long suggested the Port utilizing PACE financing as another funding tool. Mr. Zellers asked T. Long why it made more sense for the Port to sign a retainer contract instead of utilizing Long EDA on a project by project basis. T. Long stated that he believed the current contract with the Port hasn't expired yet and runs through the end of 2018. Mr. Brown said the copy of the contract T. Long sent him indicated there was an option for renewal, but the contract expired in 2017. T. Long

apologized for the confusion and reiterated that the current contract has expired. To answer Mr. Zellers question, T. Long said the \$1,000 retainer doesn't cover his expenses by a long shot. That's equal to about four or five hours a month. Mr. Zellers said he understands the Port has about four or five projects going on in any given year. Is that additional to the retainer? T. Long said the retainer is the only expense out of the Port Authority's pocket. Everything else is from the borrowers. Mr. Zellers asked if T. Long provided any other services outside of financing. Mr. Brown said he or Ms. McClelland can get feedback or input whenever they need it. Ms. Carr said the difference is once we have a project structured, Long EDA then gets more involved with details such as the closing statement that the borrower pays. For every deal we close there may have been five or six busted deals, but we don't have the in-house expertise to conduct the evaluation. The retainer is how Mr. Brown gets that expertise. Mr. Mullins asked T. Long if his firm brings the Port any projects. T. Long said it certainly has happened elsewhere, but he can't remember any in Lorain. He sees the retainer as a partnership and a mutually beneficial relationship. Mr. Zellers asked if the city of Lorain pays a retainer. T. Long said yes, but there is no retainer with the county. He believes he is creative in finding solutions that protect the Port Authority. Mr. Zellers said he's heard nothing but great reviews about T. Long and his business. T. Long thanked the board for the opportunity to present. Mr. Mullins asked if the \$1,000/per month was the standard rate for port authorities. T. Long said he certainly wouldn't accept less than that amount, but his firm is working more and more with private entities and less with governments. Mr. Mullins thanked T. Long and J. Long for attending the meeting.

2. Cellular phone policy: Mr. Brown said it's a really small fix, but he realized the staff isn't really reimbursed for their cell phone usage. We're in 2018 and everyone is using them now. He said he would normally take something like this to committee first, but it's so minor that he wanted to make the change sooner rather than later. Our Personnel Policy Manual currently discourages

against the use of personal cell phones. In the past, the only person on staff to have a cell phone was Mr. Rick Novak. Mr. Brown said we paid a decent amount for that cell phone, and his proposal moving forward is to cancel the service because no one, including he, wants to carry two phones. We spent \$1,500 a year for the agency cell phone and his proposal would be to split the \$1,500 by four and give each full-time employee a stipend for cell phone usage for the previous year. Mr. Brown said he and Ms. Leyva's stipend would be prorated for 2017 as neither were with the Port Authority for the full year and in December of 2018 all four would receive \$375 for the previous year's cell phone use. He said this simplifies things and it worked at the fire department, so he thinks it will work here. Mr. Zellers asked if the amount was enough. Mr. Brown said he based the amount on what we spent in 2017. We were previously paying \$125 per month for the agency cell phone. Mr. Zellers said if we're going to do it, let's make sure we do it for the right amount. Mr. Brown said when you furnish cell phone in this type of setting, you get into public records. A stipend prevents that from being an issue and Mr. Brown said he believed the amount was enough. Mr. Mullins asked if the stipend would be paid at the beginning or end of the year. Mr. Brown said he believed the staff should be reimbursed for 2017 now and then at the end of December 2018, Mrs. Smith would issue the stipend check to the employees. Mr. Mullins asked when the agency phone plan was cancelled. Mr. Brown said it was cancelled recently and there was a cost in 2017, so it's up to the board whether they want to back track for 2017 or start in 2018, but Mr. Brown said he wanted to get it started. He said he believed personal cell phone use for agency business has happened for quite some time and is why he thinks 2017 should be included, but he was fine with leaving himself out of that. Mr. Nielsen moved to go forward with the stipend of \$375 per full-time employee for personal cell phone use for agency business, retroactive to 2017, with the stipend prorated for Mr. Brown and Ms. Leyva for 2017. Mrs. Cook seconded the motion. Motion passed.

3. CDFA interview reminder (January 17-19, 2018): Mr. Brown said the interviews are approaching and the office has received a few calls about the importance of the meetings. If any board members happen to get that call, Mr. Brown urged them to express how important the interviews are. We want a very thorough snapshot of our organization from all angles. Mr. Zellers asked how people were selected for the interviews. Mr. Brown explained the CDFA had guidelines of who they would like to speak to and then the staff provided names that we thought fit that mold. Mr. Mullins asked about the schedule. Mr. Brown said the interviews have time slots, some being group and other being individual interviews. Feel free to talk openly.

III. Report of Committees

A. Contract Management Committee

1. 2018 Grounds Maintenance: Mr. Zgonc said the Contract Management Committee met prior to the scheduled board meeting. The committee discussed the grounds maintenance contract for 2018. The recommendation from the committee is to accept MTC Horticultural Services bid to be the landscaping company taking care of the Port's various properties. The cost is \$64,600 and some change. It is exclusive of any snow removal contract. It's a one-year contract with two one-year options.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH MTC HORTICULTURAL SERVICES FOR PROFESSIONAL SERVICES RELATIVE TO THE 2018 LAWN MOWING GROUNDS MAINTENANCE OF LORAIN PORT AUTHORITY PROPERTIES.

Ms. Carr moved to accept Resolution No. 2018-01. Mr. Zgonc seconded the motion.

Roll call vote as follows:

Ayes: 9

Nays: 0

Abstain: 0

Resolution Passed

2. Spectrum Train Station Proposal: Mr. Zgonc said the committee also considered the proposal from Spectrum regarding the management of the Train Station in 2018. Mr. Brown said the staff unfortunately didn't have time to get additional firms in to see if they'd be interested in managing our unique schedule. Members of the public want to start submitting rental applications, so the current ask is to raise the deposit fee from \$200 to \$400 and the rental fee from \$200 to \$400 on weekdays and from \$400 to \$800 on weekends. This will give the staff time to negotiate further with Spectrum and reach out to other firms possibly interested in managing the building. Also, the increase in price would cover the cost of cleaning fees when groups don't pick up after themselves. Ms. Carr moved to increase the fee structure for the rental of the Train Station. Mr. Zellers seconded. Motion carried.
3. July Fourth Fireworks Proposal: Mr. Brown said this item is a bit of housekeeping. The contract committee didn't discuss this item, but it was passed via motion at the Regular Board Meeting on 12.11.17. Ms. Leyva explained the grounds maintenance resolution was accidentally sent twice in the board packet, but hard copies of the resolution were passed out to those wanted to review it. Mr. Brown said the resolution will ratify the previously passed motion.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO A CONTRACT WITH AMERICAN FIREWORKS FOR PROVISION OF PROFESSIONAL PYROTECHNICAL SERVICES FOR THE JULY 4, 2018 FIREWORKS.

Mr. Nielsen moved to accept Resolution No. 2018-02. Mr. Zgonc seconded the motion.

Roll call vote as follows:

Ayes: 9

Nays: 0

Abstain: 0

Resolution Passed

B. Strategic Development Plan Committee

1. Update on discussion of strategic goals: Ms. Carr said the committee met prior to the regular board meeting. The committee discussed three groups of strategic goals, including immediate action items (6 months), short term goals (6 months to 2 years) and long-term goals that would be more than two years into the future. The list included in the committee packet is the list that was reviewed. The only change was under the short-term goals with the addition of working on the levy campaign. Ms. Carr explained the committee narrowed the categories and identified the items to prioritize over others. Immediate action items included the facilitating action on the hotel project with respect to financing or tax credits, preparing the RFP on the marina and park, the Kelleys Island RFP project and creating maintenance reserves and reserves for matching grants. Under short-term goals, the committee identified increasing the economic development focus on the website, which involves reviewing and potentially listing some of the Port's smaller outlier properties that don't hold strategic importance, participating and assisting as needed in the Brownfield Planning Project that the county started, assisting the hotel project with the parking garage and seeking grants for other related projects and seeing the Kelleys Island project through to completion. Long-term goals included discussing and determining the future of the marina and Lakeside Park and participating as appropriate in any RFPs that result from the Brownfield Planning Project, which may involve determining development options for our key parcels on the waterfront. Ms. Carr said the plan is to reconvene the committee next month to address anything that might be added to the long-term goals and to assign projects to specific staff or committees as needed.

C. Marketing and Public Affairs Committee

1. Mr. Bansek said he would need to get with Mr. Brown to discuss the spring levy fundraiser. Mr. Brown said he had a bit of an update regarding the fish fry. It turns out that Lorain Police Department FOP is March 23, 2018. Mr. Brown recommends staying at least two weeks away from their date and

suggested March 9, 2018 as the Port's fish fry. He said he would begin reaching out to different businesses to determine a cost, if the board still wanted to move in that direction. Mr. Mullins asked if that would be enough time to get the tickets out. Mr. Bansek said tickets can be made quickly, but we would need to get the distribution list out, make sure we contact all the right people and get tickets to them. He said that's paramount to a successful fundraiser. Mr. Bansek also suggested having the same event at the same time every year as a way to strengthen its success. Ms. Carr asked if it would be in the spring or the fall. Mr. Brown said that was the question before, whether to do spring or fall, and the consensus seemed to lean toward a spring fish fry. Mr. Zellers asked about the turnout the Port has had at fundraisers in the past. Mr. Bansek said he remembers selling over 300 steaks for a steak fry, which is the last one the Port had. Ticket sales puts more pressure on the staff. Mr. Brown said if the board would like to wait until May, the Port can have a different fundraiser. Ms. Carr said she would prefer waiting until May so we have the better weather. Mr. Mullins said he would almost like to see something in coordination with the launch of the season or the concert season. The board then agreed it would be best to put the fundraiser on hold for the time being.

D. Grounds Maintenance and Capital Committee

1. Mr. Nielsen said he and Mr. Brown talked and didn't feel there was enough time to gather the facts prior to tonight. The plan is to continue gathering information and working on the list of priorities for a committee meeting in February.

E. Financial Planning and Audit Committee

1. Year-end financials to come in February: Mrs. Smith said she's been diligently working on the year-end close and will have it ready by the meeting in February.
2. Then and Now Certificate: Mrs. Smith said no then and now certificates required board approval.

3. Advancement of funds to USEPA Brownfield Hazardous Substance Grant:

Mrs. Smith said she prepared a resolution for the advancement of funds to USEPA Brownfield Hazardous Substance Grant. She pursues this every year with regards to the small amount paid by and reimbursed to the agency. Last year it was passed for \$8,000, which was the amount we paid and were reimbursed. We spent \$3,228.58, so the balance of that is 4,771.42 is what Ms. Smith is asking for this year and she plans to have it reimbursed by the end of 2018. This year, only because of the timing of when we paid the bill and when the advance went out, we do have one that was outstanding at year end and paid in January 2018.

Mr. Mullins presented:

A RESOLUTION TO APPROVE AN ADVANCEMENT OF FUNDS FROM THE GENERAL FUND TO A SPECIAL REVENUE USEPA BROWNFIELD ASSESSMENT GRANT (HAZARDOUS SUBSTANCE) FUND.

Mrs. Cook moved to accept Resolution No. 2018-03. Mr. Davila seconded the motion. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

F. Bylaws and Personnel Committee

1. Mrs. Cook said she had nothing to report.

IV. Other Business

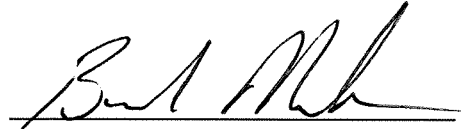
A. Mr. Zellers said he had a question regarding the lighting RFP and whether that would be added to the list of priorities through the strategic committee. Mr. Brown said that would be a good item to address in the next six months to two years. Mr. Zellers said he's sure the lighting would make a remarkable difference. Mr. Mullins asked about the lights at Spitzer Marina and whether or not they're on timers. Mr. Brown said he believed the timing is adjusted in the winter as a cost savings option and that the lights were controlled by timers and photocells, but he would look into it further.

V. Public Comment


A. None.

VI. Adjournment

There being no further business to come before the Board, Ms. Carr moved to adjourn. Mr. Davila seconded the motion. Motion passed. The meeting adjourned at 7:57 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director