

**LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
Tuesday, February 13, 2018**

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Davila, Kuszniir, Mullins, Nielsen, Zellers and Zgonc

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

Guests: Rick Payerchin, Morning Journal
John Schrenk, Citizen

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. Disposition of Meeting Minutes

- A. Ms. Carr moved to accept the December 11, 2017, Regular Board Meeting minutes. Mrs. Cook seconded the motion. Motion carried.
- B. Ms. Carr moved to accept the December 18, 2017, Special Board Meeting minutes. Second by Mr. Bansek. Motion carried.

III. Report of Officers

A. Chairman

- 1. Correspondence received:
 - a. Lorain Harbor Railroad Proposal: Mr. Brown said about six to eight months ago the Lorain Harbor Railway gave a quick presentation about bringing some equipment to Black River Landing. Since then the group asked to be on February agenda. Mr. Brown asked the group to provide a business plan rather than making a presentation. What is included in the board packet is what Mr. Brown received. He explained he sees the sheet of information as a summary of the presentation the group previously gave. Mr. Brown said he had a good conversation with them and explained the

Port would need to see a solid business plan and insurance. Some of the asks of the Lorain Harbor Railroad, including use of the stage and building, need more detail and specifics. Mr. Brown said he plans to continue the dialogue.

B. Executive Director

1. LED lighting upgrade RFP: Mr. Brown said in the Contract Committee Meeting prior to the board meeting he explained the lighting upgrade request for proposals. Mr. Zellers assisted in creating the documents that were sent out through Builders Exchange and emailed five companies individually. Six agencies attended the walkthrough meeting yesterday to look at the inside the buildings and outdoor lighting. In the next 30 days the interested vendors will conduct energy audits, look at our bills, our inventory of lights and come up with proposals. The RFP includes a component about financing the project through financing or grant programs so that it would be paid for with the energy savings. There are a few different programs available. Mr. Brown said the goal is to save energy, upgrade the lights and have a better appearance overall. It should also lead to less maintenance and repairs.
2. Insurance RFP: Mr. Brown said the staff has requested quotes from local insurance agencies upon request from the board. Agencies contacted include Somers Agency, Allen Thorley and DeLloyd Insurance, Janasco Insurance, the city's insurer and another company emailed the Port today. Quotes are due March 31 and Mr. Brown said he plans to bring them to the Contract Management Committee in April prior to the May/June execution of the insurance.
3. C DFA Assessment update: Mr. Brown thanked everyone for attending and participating in the interviews. He said they were impressed with the dialogue they had with all of the Port's partners and board members, but they didn't get to do the deep dive they wanted to with staff. In the next few days, they will be calling in to get a better idea of the staff's activities, our processes and our policies. In a few months, recommendations will start rolling out and additional meetings will be held. Mr. Brown said he believed the C DFA representatives

got a pretty good snapshot, but just need to have further discussions with staff. Mr. Mullins asked about the next phase of the assessment. Mr. Brown said before anything goes out, the CDFA will create a draft of what they see and some working documents. The board will have input, direction and dialogue and then at some point become the driving document of the agency for the next five years.

4. City of Lorain Mayor's Address: Mr. Brown said Mrs. Smith sent out the invite and has received responses from some board members. The address is February 22, 2018, at 11:30 a.m. at DeLuca's. The Port is acting as a sponsor and Ariel Ventures will be attending. Mr. Brown asked those interested in attending to email he or Mrs. Smith by tomorrow. He said he and Ms. McClelland attended the Lorain County Chamber of Commerce's event a few weeks back and they really highlighted the Port's achievements. After the Mayor's Address, Ms. Rhadika Reddy is hosting an economic summit at one of her venues, the Ariel International Center, in Cleveland. Mr. Brown and Ms. McClelland will be attending. The event is called "Doing Business in India" and will feature the Consulate General of India as the keynote speaker. Ariel Ventures wants to bring an international presence and international businesses to Lorain. Mr. Davila asked when the event started. Ms. McClelland said it starts at 3 p.m.
5. Celebrity Bartenders: Mr. Brown said Mr. Joel Arredondo with the Mexican Mutual Club asked him and Mr. Mullins to bartend and the pair will be doing so on Friday, March 2, 2018. Mr. Brown asked that board members attend and bring their friends and family. All tips and proceeds will benefit the Mexican Mutual Society. They are one of the few social cultural clubs left in Lorain and Mr. Brown thinks we should be supporting them. Their membership is \$20 if anyone on the board is interested in joining. Mr. Mullins encouraged all board members to stop by the club on March 2.

IV. Report of Committees

A. Contract Management Committee

1. Long EDA Contract: Mr. Zgonc said the Contract Management Committee met prior to the scheduled board meeting. The committee discussed several items, including the Long EDA contract. The recommendation is to continue the partnership. Mr. Zgonc said the contract would be retroactive to start January 1, 2018, and continue through the end of the year at a cost of \$12,000 annually or \$1,000 monthly. The committee felt Messrs. Tim and Joe Long provided a good presentation at the board meeting in January and have been positive partners over the years. The need for a contract with Long EDA will be revisited once the CDFA provides its five-year plan, but for the time being the board thinks it is crucial to have them for an additional year.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING AN EXTENSION FOR PROFESSIONAL SERVICES RENEWAL AGREEMENT WITH LONG-ECONOMIC DEVELOPMENT ADVISORS, LLC (LEDA).

Mr. Zgonc moved to accept Resolution No. 2018-04, retroactive to January 1, 2018, with the option for the executive director or his designee to negotiate a cost up to \$15,000 per year or \$1,250 per month. Mr. Nielsen seconded the motion.

Roll call vote as follows:

Ayes: 9

Nays: 0

Abstain: 0

Resolution Passed

2. Kelleys Island Ferry Boat Line Project – Engineering Services Agreement: Mr. Zgonc said the committee had a lengthy discussion about the engineering services agreement and recommended the board approve it. Members of the committee thought the indemnity part needed to be looked at. A number of payments would come out of escrow, which helps protect the Port. The agreement needs passed in order to get the engineers on board and continue the project. Mr. Mullins asked if the board wanted to wait until the changes were made. Mr. Zellers said the resolution allows for changes to be made to

the agreement. He then asked to make sure a contract with Kelleys Island had been established. Ms. McClelland said yes. Mr. Zellers then asked how the Port will be compensated and when we collect. Ms. McClelland said the Port will collect its 5% fee once contractors start being hired and paid.

Mr. Mullins presented:

SUBJECT TO SPECIFIC CHANGES REQUESTED BY THE BOARD, SAID AGREEMENT SHALL BE SUBSTANTIALLY IN THE FORM NOW ON FILE WITH THE EXECUTIVE DIRECTOR WITH SAID CHANGES THEREIN AS ARE NOT ADVERSE TO THE INTERESTS OF THE PORT AUTHORITY AND AS MAY BE APPROVED BY THE EXECUTIVE DIRECTOR, OR HIS DESIGNEES AND LEGAL COUNSEL, A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH TECHNOLOGY ASSOCIATES, INC FOR ENGINEERING SERRVICES.

Ms. Carr moved to accept Resolution No. 2018-05. Mr. Nielsen seconded the motion.

Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

3. Aable Rents stage top proposals: Mr. Zgonc said the committee reviewed the three proposals and recommended Aable Rents continue the install, removal and storage of the stage top. Mr. Bansek asked about the possibility of making it a 2-year contract. Mr. Brown said he would like to be he isn't sure if Aable Rents would be interested. Mr. Mullins asked about a motion to approve the contract with the ability to negotiate additional years. Mr. Davila then asked about the timeline for a permanent stage top. Mr. Mullins said we need funding first. Mr. Brown said it's going to be a process of chasing capital funds. Ms. Carr moved to accept the Aable Rents proposals with the ability to negotiate an additional year. Mr. Zgonc seconded. Motion carried.
4. MT Business Copier Lease Contract: Mr. Zgonc said it's recommended that the staff negotiate with MT Business to provide service for the copier equipment. The Xerox machine is under the state cooperative purchasing

program, which will be a cost savings to the board. It was recommended the staff have the ability to negotiate terms and look into a possible three-year lease instead of five years. Mrs. Cook moved to accept the lease contract with the ability to negotiate terms. Mrs. Zellers seconded. Motion carried. Mr. Brown said the staff is taking a deep dive into the phone coverage and is also looking at cost-savings options for the postage machine. Ms. Leyva added that two postage companies she spoke with would offer a cost savings of \$600 per year right off the bat. Mr. Brown said unnecessary phone lines have been eliminated and the staff is focused on keeping a pulse on the expenses and finding better ways of doing business.

B. Strategic Development Plan Committee

1. Ms. Carr said based on the meeting in January, she took everyone's input and reordered the list of priorities. The items in boldface were those given priority and are what the committee determined were key initiatives. Ms. Carr explained staff and board members would be assigned to certain tasks to put a little more accountability to it. She asked for comments, suggestions or additions in email. This would give us a roadmap on who should pick up the issue and move it forward. Mr. Mullins thanked Ms. Carr for her hard work in putting the list together and mentioned the numerous meeting he, Ms. Carr and Mr. Brown have had. Everyone needs to be engaged to make it work. Mr. Zgonc asked if Ms. Carr mentioned this list to the CDFA. Ms. Carr said yes, she let them know we would be reevaluating the list once the CDFA completed their evaluation and five-year plan. Then moving forward the end of the summer or beginning of fall will be the Port's annual time to review the list prior to budgeting.

C. Marketing and Public Affairs Committee

1. Mr. Bansek said he had nothing to report.

D. Grounds Maintenance and Capital

1. Chairman's update: Mr. Nielsen said the committee met prior to the regular board meeting. The recommendation is to stick with the status quo as far as maintenance for this year only until we get some feedback from the CDFA

assessment. Mr. Nielsen said he wasn't sure what the budget allowed as far as a contractor or new employee and that would be investigated further. Mr. Nielsen said the committee also discussed a list of projects the committee would like to see started before the busy season begins. At Black River Landing, the committee wants to fix the path problem and the edging. That project is estimated to cost about \$20,000. Another item is cleaning up the fencing issues, and that's estimated to cost \$10,000. Resurfacing part of the blacktop is estimated to cost \$25,000. Sidewalk leveling at the Black River Wharf is estimated to cost about \$3,000. Leveling sidewalks at the East Side Pier carries an estimated price tag of \$15,000. Mr. Nielsen said the estimated total cost for all projects identified as priorities would be about \$73,000. Ms. McClelland said that amount is well within the budget, barring no unexpected occurrences. Mr. Nielsen said the recommendation from the committee is to leave it up to the executive director's discretion to go out for proposals for the projects. The goal is to have the work done by Memorial Day weekend. Mr. Zellers asked about the picnic tables and possibly starting a recycling program. Mr. Brown said he thought we ended last year in pretty good shape. Mr. Ed Abel will go over the tables before start of the year and fix anything that needs a quick repair, but the tables at Black River Landing are stable. On the other sites, Mr. Brown said he plans to look into grant opportunities, such as the county recycling grant, to possibly get a kick-start into that project. At that point we could set a schedule for replacement, but it depends on the product you're buying. Mr. Brown said composite tables last a little bit longer and are heavier duty. Mr. Mullins asked about the Spitzer lease and the upkeep of the Jackalope building. Mr. Brown said Spitzer is responsible. Mr. Mullins asked about the authority the Port had to request repairs be made. Mr. Brown said he's looking into it and has been sifting through about 10 folders of information. He plans to touch base with Michael Brosky, Esq. to better determine the proper course of action. Mr. Zgonc asked about the fencing issues. Mr. Nielsen explained the issues are at Black River Landing. Instead of the temporary fencing, the desire is to get a more permanent

solution and clean up some of the fencing on the north end. There are gaps in the fencing where people try to come through. Mr. Brown said during events such as Rockin' on the River and the International Festival, those involved have to put up temporary fencing in order to secure the site and comply with rules relating to the sale of alcohol. Some people do better than others when it comes to temporary fencing. Mr. Brown said he and staff are aware of where the pinch points are located and are ready to move forward on a better solution.

E. Financial Planning and Audit Committee

1. 2017 Annual Financial Reports: Mr. Kuszniir said he met with Mrs. Smith on Friday to review the January financial statement, the permanent budget changes for 2018 and the 2017 annual financial reports. The changes to the budget discussed in the last financial committee meeting were addressed by Mrs. Smith. There were a few increases in the 2018 budget with the main one being to the maintenance line item for the upkeep of sites and facilities, which was anticipated. Mr. Brown said the staff had an internal budget meeting going over the 2017 financials. Our carryover went up considerably, from about \$326,000 to about \$543,000. He said he believes the Port was prudent in 2017. Going into 2018 there is nothing remarkable as far as changes. Mr. Mullins asked what the staff felt contributed to the \$200,000 increase in carryover. Ms. Carr mentioned tax collections. Mr. Brown agreed that tax collections went up and added that there were some projects the staff ended up not pursuing in 2017, such as the LED lighting upgrade.
2. January 2018 Financial Statement: Mr. Davila moved to approve and accept the January 2018 Financial Statement. Mr. Kuszniir seconded. Motion carried.
3. 2018 Permanent Budget: Ms. McClelland explained there is a resolution related to this item. She went on to explain a new fund was created in relation to the Kelleys Island Ferry Boat Line project. It was created because the project will be moving forward and payments will start coming in and out.

Mr. Mullins presented:

A RESOLUTION MAKING PERMANENT APPROPRIATIONS OF THE LORAIN PORT AUTHORITY FOR CALENDAR YEAR 2018.

Mr. Zgonc moved to accept Resolution No. 2018-6. Mr. Davila seconded the motion.

Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

4. Then and Now Certificate: Ms. Leyva said no then and now's required board approval.

F. Bylaws and Personnel Committee

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

V. Other Business

- A. FireFish Festival: Mr. Brown explained he received late correspondence and one was from FireFish. They sent their sponsorship package for the 2018 FireFish Festival. Mr. Brown said he's holding off on it as the group is coming in for a meeting on Friday. He will be back in April on that item.
- B. Lorain Arts Council Spring Fashion Show: Yesterday Mr. Brown received a letter from the Lorain Arts Council concerning their Spring Fashion Show. They've used the building the last two to three years. They're asking for a fee waiver to use the building again on April 14, 2018, and nothing on the schedule conflicts with that date at this time. Mr. Nielsen moved to waive the deposit and rental fee. Mr. Bansek seconded. Motion carried.
- C. Waterfront Winterfest Fundraiser: Mr. Brown said Mr. Steve Bansek Sr. provided tickets for the Waterfront Winterfest fundraiser raffle. He said he plans on buying and selling the tickets. The Port has 100 tickets for board members wishing to buy or sell them. Waterfront Winterfest's goal is to raise \$100,000 to light up Lorain properly. The raffle winners will be eligible for Fligner's gift cards and four Easter hams. Mr. Brown said the marketing committee may want to discuss the possibility of being a sponsor or making a donation.

VI. Public Comment

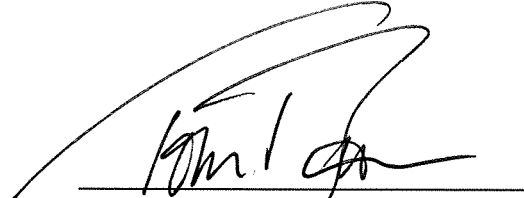
A. None.

VII. 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 7:45 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director