

**LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
October 14, 2014**

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Brown, Davila, Mullins, Nielsen, Sommers and Williamson, Jr.

Staff: Richard M. Novak, Executive Director
Yvonne Smith, Accountant
Ralph Bruening, Events Coordinator/Facilities Manager
Mike Brosky, Esq.

Guests: Rick Payerchin, Morning Journal

I. **Roll Call.** The meeting was called to order at 7:01 p.m. by Chairman Carl Nielsen with roll call indicating a quorum present.

II. **Disposition of Meeting Minutes:** Disposition of September 9, 2014 Regular Board Meeting Minutes were presented for approval. Motion to accept the minutes by Mr. Williamson, Jr. Support by Ms. Carr. Motion carried.

III. **Report of Officers.**

A. Chairman

1. Correspondence received. Mr. Nielsen presented a letter received from William Madanski regarding smoking at Black River Landing. This letter will be moved to Committee, however, Mr. Novak voiced he spoke with Bob Earley from Rockin' on the River on how this issue was addressed in Cuyahoga Falls. The group asked that people refrain from smoking. However, designated smoking areas were established. Mr. Nielsen stated City Council would also have to be involved in this matter.

B. Executive Director

1. TIF Projects. Mr. Novak stated the Agency has been working with the City for some time for part of the economic development programs to manage the TIF Districts for the City. Tim Long has been on board in the past and that was the goal. Since that time, Ms. Carr, Mr. Novak and the Mayor have been meeting to talk about how this Program can be implemented. The Agency will administer the existing TIF's, approximately 10-12 TIF's within the City of Lorain presently. There are well over 800 parcels involved. This is a major endeavor. The Agency will continue to assist the City in the analysis, creation and management of any future TIF Districts. Ms. Carr took the floor and

explained a clarification was made on what the City needed the Agency to do. The main issue was how to address the compensation. There is a right under the law to cover overhead. Reasonable fees were discussed. A sliding scale would be used based on the annual net revenue to the City for these different TIF Projects. The smaller deals we cannot do a percentage due to the fact that it is too low of a figure. There will be a flat fee involved. Bond proceeds expenses and general overhead based on staff member time will be covered by the TIF. Mr. Novak stated the review of existing TIF's will have a \$40,000 fee on an annual basis. Tim Long will receive \$25,000.00 out of that total.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH THE CITY OF LORAIN RELATIVE TO THE MANAGEMENT OF TAX INCREMENT FINANCING (TIF) PROJECTS WITHIN THE CITY OF LORAIN.

Mr. Davila made a Motion to accept Resolution No. 2014-35. Seconded by Mrs. Cook. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

2. Long Economic Development Advisors (LEDA) Agreement. Mr. Novak stated this is the Contract for Mr. Long to oversee the TIF Districts for the Agency. This is specifically for this Economic Development Program. The Mayor will also be working on this Program.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH LONG ECONOMIC DEVELOPMENT ADVISORS (LEDA) REGARDING ADMINISTRATION OF TAX INCREMENT FINANCING (TIF) DISTRICTS WITHIN THE CITY OF LORAIN, OHIO.

Mr. Bansek made a Motion to accept Resolution No. 2014-36. Seconded by Mr. Brown. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

3. Rockin' on the River Update. Mr. Novak stated we are waiting for a Contract from Bob Earley. Once this Contract is returned, it will be taken to Committee. Mr. Earley informed Mr. Novak he is making minor changes at this time. Mr. Earley attended a Downtown Growth Association Meeting and attendees were very excited about the Concert Series. Mr. Earley will also be paying for weekly advertising promoting his Concerts and Black River Landing.

4. Bid Pavilion Project. Mr. Novak stated a meeting was held Monday with Gary Fischer, the Architect on this Project. The executed Contract has not yet been received from the State. Mr. Novak asked the State staff member handling this if the Agency could go out for bid at this time, speeding up the process, and she gave approval to do so. Costs of the pavilion have been pared down to \$100,000.00, with \$80,000.00 in Grant money. This Pavilion will be built to accommodate ceiling fans, garage doors, electricity, etc. in the future. Also, brick pavers were discussed at the meeting.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ADVERTISE FOR BIDS FOR THE BLACK RIVER LANDING PAVILION PROJECT.

Mr. Brown made a Motion to accept Resolution No. 2014-37. Seconded by Mr. Bansek. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

5. Marker Buoys. Mr. Novak stated a request was made for additional marker buoys to create "No Wake Zones" for the Beaver Park area. There are "No Wake Zones" established off of Lakeview Beach between Harmon's Beach and Lakeview Park, we also have them at the Diked Disposal Site area, the Spending Beach area. Mr. Nielsen suggested this matter go to Committee to discuss cost.

IV. Report of Committees.

A. Contract Management Committee - Mr. Mullins suggested the Landscape and Maintenance 2015 be directed to Committee. Mr. Mullins would also like to see a format for all Contracts being reviewed so there is consistency. The threshold is \$2,500.00 and Mr. Novak stated the small contracts are consuming a great deal of time. Mr. Mullins stated anything under \$2,500.00 would be at the Executive Director's discretion. Governmental proposals/bids are suitable to be used. Mr. Mullins called a Contract Committee Meeting for November 5, 2014 immediately following the Marketing and Public Affairs Committee Meeting to identify a format for the Contracts and the thresholds.

B. Strategic Development Plan Committee – No Report.

C. Marketing & Public Affairs Committee –

1. Mr. Bansek reviewed the Marketing and Public Affairs Committee Meeting on October 8, 2014. Discussion was had branding Black River Landing as a separate entity and branding other Port properties. Mr. Bansek shared four different designs with the Board. A lengthy discussion was held about each design and the

consensus was to NOT leave the Lorain Port Authority off the design. Mr. Mullins stated allowing the Marketing Firm to deliver the message.

2. Possible 2015 Lorain County Church Cook-off. Dr. David Hall took the floor and discussed bringing Christian Bands to Black River Landing in conjunction with a Food Cook-off. Sponsors would be obtained so there would be no cost to the Agency. He further stated he was here today to address the Board to reserve a date on the calendar and see if the Lorain Port Authority would be behind this type of event. He has spoken with ten churches to see if they would be interested in participating. There would only be a charge to purchase food, not to enter the Festival. Mr. Brown suggested Mr. Hall obtain the paperwork, Application, Start-up Package, complete the same and then determine a date.

3. Marketing and Public Affairs Committee Meeting will be held Wednesday, November 5, 2014 at 6:00 p.m.

D. Financial Planning and Audit Committee - Mr. Nielsen stated a Financial Planning and Audit Committee Meeting will be held Monday, November 3, 2014 at 6:00 p.m. discussing the Budget for 2015 and that the Agency remains in compliance with the recommendations of the Audit. Mr. Davila stated areas of the Audit are being implemented. Mr. Nielsen stated ways to cut the Budget need to be reviewed and Mr. Davila stated ways to make revenue should also be discussed. Mr. Nielsen encouraged the full Board to be at this Budget meeting.

1. Bank Reconciliation Report for July 2014 and Financial Statement for July 2014. Mr. Nielsen made a Motion to accept the July 2014 Bank Reconciliation Report and Financial Statement for July 2014. Seconded by Mr. Sommers. Motion carried.

2. Bank Reconciliation Report for August 2014 and Financial Statement for August 2014. Mr. Williamson, Jr. made a Motion to accept the August 2014 Bank Reconciliation Report and Financial Statement for August 2014. Seconded by Mr. Mullins. Motion carried.

3. Bank Reconciliation Report for September 2014 and Financial Statement for September 2014. Mr. Mullins made a Motion to accept the September 2014 Bank Reconciliation Report and Financial Statement for September 2014. Seconded by Ms. Carr. Motion carried.

4. Reserve Balance Account. Mr. Brown made a Motion to rescind the Establishment of a Maintenance Reserve Fund created at the last Board Meeting. Seconded by Mrs. Cook. Motion carried.

5. 2014 Budget Amendment. Mrs. Smith explained the 2014 Budget Amendment.

Mr. Nielsen presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2014 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Bansek made a Motion to accept Resolution No. 2014-38. Seconded by Mrs. Cook. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

6. Payroll Hold Back Period. Mrs. Smith explained the Agency currently pays their employees up to date. It has been determined by the Board that Direct Deposit would be initiated for the employees. Mrs. Smith further explained that in order to implement Direct Deposit, a hold back period needs to be established to provide the Bank with the necessary documentation Wednesday prior to a payroll date of Friday. The Auditors recommended a minimum of a one-week hold back period for all paperwork to be reviewed.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING A ONE WEEK, ONE TIME EMPLOYEE "HOLD BACK PERIOD" FOR PAYROLL FOR THE AGENCY AND PERMITTING USAGE OF EMPLOYEE VACATION TIME TO COVER SAME.

Mr. Sommers made a Motion to accept Resolution No. 2014-39. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

7. Then and Now Certificate. Mr. Smith stated there are four (4) that require Board approval. They are all for the Ferry Terminal Building. These are negotiated items.

Mr. Nielsen presented:

A RESOLUTION TO APPROVE APPROPRIATIONS (THEN AND NOW CERTIFICATE) FOR THE LORAIN PORT AUTHORITY.

Ms. Carr made a Motion to accept Resolution No. 2014-40. Seconded by Mr. Williamson, Jr. Roll call vote as follows:

Ayes: 8 Nays: 1 Abstain: 0 Resolution passed

8. Accepting the Tax Amounts and Rates for 2015. Mrs. Smith stated these are the rates for the actual taxes. This needs to be approved by the end of this month. Mr. Brown questioned if the amount is the final amount. Mr. Novak and Mrs. Smith stated this is the maximum amount of our millage as the home values in the City of Lorain have decreased.

Mr. Nielsen presented:

A RESOLUTION ACCEPTING THE AMOUNTS AND RATES FOR CALENDAR YEAR 2015 AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR.

Mr. Davila made a Motion to Accept Resolution No. 2014-41. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed

E. By-Laws and Personnel Committee – No Report

V. Other Business. Mr. Davila received a letter from El Centro regarding their 40th Anniversary. Mr. Davila extended an invitation to all Board Members to attend their gala.

VI. Public Comments – None.

VII. Adjournment.

There being no further business to come before the Board, Mr. Davila made a motion to adjourn. Seconded by Mr. Mullins. Motion carried. The meeting was adjourned at 8:27 p.m.

Carl Nielsen, Chairman

Richard M. Novak, Executive Director