

**LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
August 13, 2013**

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Brown, Davila (7:06 p.m.), Mullins, Nielsen, Sommers and Williamson, Jr.

Staff: Richard M. Novak, Executive Director
Yvonne Smith, Accountant
Michael Brosky, Esq. (7:03 p.m.)

Guests: Jim Tomazic, Citizen

1. **Roll Call.** The meeting was called to order at 7:01 p.m. by Chairman, Carl Nielsen with roll call indicating a quorum present.
2. **Disposition of Meeting Minutes:** Disposition of July 9, 2013 Regular Board Meeting Minutes were presented for approval. Motion by Mr. Sommers to accept. Support by Mr. Mullins. Motion carried.
3. **Report of Officers.**
 - A. **Chairman**
 1. Correspondence received – None.
4. **Report of Committees**
 - A. **Contract Management Committee.**
 1. Huffman Equipment Rental & Contracting, Inc. Mr. Novak explained that this is the Company contracted with to construct our dock at Black River Landing. The Lorain Port Authority entered into a Contract with Huffman in April, 2013. The Contract that was awarded plus the alternate totaled \$89,140.50 and we added a contingency of \$10,859.50 to that to provide a total allocation for the project of \$100,000.00. Due to a plan error, the Engineer specified 40 foot for the piles instead of 60 foot piles. They were on the plans and the Engineer missed it. Subsequently, we ended up with a Change Order of about \$13,163.66, which puts us \$2,304.16 above the allocation that was provided for the Project. The Engineer is absorbing his costs as a good faith effort, due to the fact that he made the error for inspection services of \$3,300.00. We would like the Board to provide an authorization of \$102,304.16 for the Project and to void the Purchase Order that was issued for the Engineer for \$3,300.00. These funds will then go toward the

cost of the Project. Please be aware there were two (2) delays on this Project primarily due to delivery of the ramp. We originally extended the Project from July 15, 2013 to July 29, 2013 and then in August, 2013 we extended the Project to August 9, 2013.

Mr. Nielsen presented:

A RESOLUTION RATIFYING THE APPROPRIATION OF ADDITIONAL FUNDS FOR THE CONTRACT WITH HUFFMAN EQUIPMENT RENTAL & CONTRACTING INC. FOR THE BLACK RIVER LANDING SHUTTLE AND RECREATIONAL BOAT DOCK PROJECT AND TO AUTHORIZE EXTENSION FOR THE PROJECT COMPLETION DATE.

Mrs. Cook made a Motion to accept Resolution No. 2013-39. Seconded by Ms. Carr. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed.

2. Fairfax Development Corporation – Quincey Place. Mr. Novak stated we will be issuing bonds for this Project, approximately \$6.225 Million dollars in bonds for this Project that is located in Cuyahoga County. This is a social service facility in Cuyahoga County. The Cleveland Port is at their capacity of \$10 Million Dollars. The Lorain Port Authority has the ability within our bond capabilities to issue the same. The Lorain Port Authority will charge a \$20,000.00 fee plus \$2,500.00 for Tim Long's services as a financial advisor and \$1,500.00 application fee, which has been submitted to us. The fees will be shared with the Cleveland Port Authority providing them with a check for \$10,000.00 since we have an agreement with them. The closing on this bond issue is to be September 30, 2013.

3. Carnegie Library Agreement. Mr. Novak stated that it is anticipated that the Carnegie Library transfer from the City of Lorain to the Lorain Port Authority and now from the Lorain Port Authority to the Black River Historical Society is ready to proceed. There have been a few language changes.

4. U. S. Army Corps of Engineers Agreement Sponsor Modification. Mr. Novak stated an Agreement has been prepared to present to City Council concerning approximately two (2) acres of land. This Agreement is called a Novation Agreement changing sponsors for the Project site from the City of Lorain to the Lorain Port Authority. There is no cost for this at the present time. Mr. Novak explained that we will never own the property as it is actually owned by the State of Ohio because it is submerged lands. He added that we previously had several acres transferred to the City in 2010 as part of the Pier Project. The Port Authority assumed all of the responsibilities assigned to the City.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO A NOVATION AGREEMENT WITH THE U. S. ARMY CORPS OF ENGINEERS TO PROVIDE FOR A CHANGE OF SPONSOR FROM THE CITY OF LORAIN TO THE LORAIN PORT AUTHORITY AND MODIFYING THE AGREEMENT ACCORDINGLY, SUBJECT TO LEGAL COUNSEL APPROVAL.

Ms. Carr made a Motion to accept Resolution No. 2013-40. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed.

5. Ferry Terminal Building Project Update. Mr. Novak, in Mr. Bruening's absence, stated that the Ferry Terminal Building will most probably be completed in mid-October. There original completion date has been pushed back since there was a delay in the provision of electrical service to the site and during the construction process we encountered a pile of debris that needed to be dealt with. The Project is moving forward with two (2) payments being made through ODOT and the Lorain Port Authority.

B. Strategic Development Plan Committee – No Report

C. Marketing & Public Affairs Committee – No Report

1. Toni Jones, Music By The Lake Fee Waiver Request for August 16, 2014. Mr. Mullins made a motion for a fee reduction to a non-profit charge of \$1,400.00, but still paying the deposit of \$1,000.00. Seconded by Mr. Bansek. Motion carried.

2. Naomi Pagan 5kWalk/Run Fee Waiver Request. This group is requesting the use of one pavilion and the restrooms. Their scheduled event is Sunday, October 6, 2013 from 7:00 a.m. – 1:00 p.m. Mr. Davila stated that Naomi Pagan is the teacher that died in an automobile accident several years ago and the proceeds go toward a scholarship fund. Mr. Williamson, Jr. made a motion to waive the fee, however, the deposit still needs to be paid. Seconded by Mr. Davila. Motion carried.

3. Fee Waiver Request – Lorain International Oktoberfest. Mr. Novak informed the Board that this is for the Ocktoberfest for the Lorain International group. This event will be held on September 7, 2013. Mr. Nielsen made a motion to waive the fee for Oktoberfest. Seconded by Mrs. Cook. Motion carried.

4. Black River Concert Series Update. Mr. Novak made the Board aware that there was a concert occurring this Friday, August 24, 2013, which is a make-up concert for Parrots of the Caribbean. Hotel California's draw was 5,500 to 6,000

people. The crowd for Fayrewether was estimated at 2,500. The beer sales were phenomenal for Hotel California.

Mr. Nielsen rescinded his previous motion regarding the fee waiver for the Ocktoberfest due to appearance of conflict of interest. Seconded by Mr. Brown. Motion carried.

Mr. Brown made a Motion to waive the fee for Oktoberfest – Lorain International Association. Seconded by Ms. Carr. Motion carried.

D. Financial Planning and Audit Committee.

1 – 2. Bank Reconciliation Report for July 2013 and Financial Statement for July 2013. Mr. Davila and Mrs. Smith did not have the opportunity to meet to discuss the Bank Reconciliation Report for July 2013 and the Financial Statement for July 2013 as Mr. Davila was out of town. These documents will be reviewed prior to the next meeting.

3. Budget Amendment. Mrs. Smith stated that the budget Amendment takes into account the additional revenues for the bond, the fees deposited and also the fees disbursed.

Mr. Nielsen presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2013 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Williamson, Jr. made a motion to accept Resolution No. 2013-41. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution passed.

4. Then and Now Certificate. None.

E. By-Laws and Personnel Committee – No Report.

5. **Other Business.** None.

6. **Public Comments**

7. **Adjournment**

There being no further business to come before the Board, Mr. Brown made a motion to adjourn. Seconded by Mr. Davila. Motion carried. The meeting was adjourned at 7:49 p.m.

Carl Nielsen, Chairman

Richard M. Novak, Executive Director