

**LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
September 10, 2013**

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Davila, Mullins (7:17 p.m.), Nielsen, Sommers and Williamson, Jr.

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

Guests: Vickie Johnson and John Deal, Fairfax Renaissance Development Corporation
Margaret Callesen, Esq., Calfee, Halter & Griswold
Jim Tomazic, Citizen

1. **Roll Call.** The meeting was called to order at 7:05 p.m. by Chairman, Carl Nielsen with roll call indicating a quorum present.
2. Mrs. Smith indicated the numbering was not correct for the Resolutions at the last Board Meeting. The corrected numbering is Resolution No. 38 is now Resolution No. 39, Resolution No. 39 is now Resolution No. 40 and Resolution No. 40 is now Resolution No. 41. Mr. Davila made a motion to accept the changes. Seconded by Mrs. Cook. Motion carried.
3. **Disposition of Meeting Minutes:** Disposition of August 13, 2013 Regular Board Meeting Minutes were presented for approval. Motion by Mr. Williamson, Jr. to accept. Support by Mr. Sommers. Motion carried.
4. **Report of Officers.**
 - A. **Chairman**
 1. Correspondence received. A Thank You note received from the American Cancer Society thanking the Board for the Relay of Life assistance. Receive and file.
 - B. **Executive Director**
 1. Fairfax Renaissance Development Corporation Bond. Mr. Novak introduced the guests from Fairfax Development Corporation and Calfee, Halter & Griswold. These folks are here concerning the Resolution on the Agenda pertaining to the

issuance of bonds for a project in Cuyahoga County. This will be a \$6.225 Million Dollar issuance for this redevelopment Corporation. They are a non-profit development Corporation near the Cleveland Clinic area. This is a refinancing of bonds originally issued by Cuyahoga County in 2001 for the acquisition and construction of an 85,000 square foot facility located on Quincy Avenue and East 82nd Street. These bonds are bank qualified bonds meaning that the bank will buy the bonds. Ports are limited to \$10 Million Dollars in issuance of bonds of this nature. This is in Cleveland/Cuyahoga Port Authority's jurisdiction. Therefore, we had to seek their approval to allow us to issue to the bonds. They are at their capacity or they are reserving their monies. We did receive their approval. We split the fees with them. In this case, it is a \$20,000.00 fee. They will receive \$10,000.00.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,225,000 IN AGGREGATE PRINCIPAL AMOUNT OF VARIABLE RATE REVENUE BONDS, SERIES 2013 (FAIRFAX RENAISSANCE DEVELOPMENT CORPORATION PROJECT) FOR THE PURPOSE OF CURRENTLY REFUNDING THE COUNTY OF CUYAHOGA, OHIO MULTI-MODE VARIABLE RATE CIVIC FACILITY REVENUE BONDS, SERIES 2001 (FAIRFAX RENAISSANCE DEVELOPMENT CORPORATION); AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND AN ASSIGNMENT OF LOAN AGREEMENT TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THOSE BONDS AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; AUTHORIZING AND APPROVING RELATED MATTERS.

Mr. Sommers made a Motion to accept Resolution No. 2013-42. Seconded by Ms. Carr. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution passed.

5. Report of Committees

A. Contract Management Committee.

1. Marous Brothers Construction, Inc. Settlement and Release Agreement. Mr. Novak indicated that this matter has been discussed for quite some time and we now have a resolution and conclusion to the project. All parties agreed to the settlement. Marous will receive \$40,000.00. ODOT paid Marous \$29,528.00 on our behalf as reimbursement funds to the Port. The Port paid the remainder of the settlement \$10,472.00. We will also receive monies from Behnke as well as from Bramhall, approximately \$6,664.00 each. We were also able to receive as some reimbursement for staff costs for the Project.

Mr. Nielsen presented:

A RESOLUTION RATIFYING A SETTLEMENT AND RELEASE AGREEMENT WITH MAROUS BROTHERS CONSTRUCTION, INC REGARDING THE LOR-DIKED DISPOSAL SITE PROJECT, PID-86360.

Ms. Carr made a Motion to accept Resolution No. 2013-43. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution passed.

2. King Fisheries Lease Agreement. Mr. Novak stated this is a renewal of the Lease that is in place with Kenny King. Mr. King runs a commercial fishing operation. He ties off at the end of our property to a post in the water. The payment for this is \$400.00.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW AN AGREEMENT WITH KING FISHERY TO LEASE A PORTION OF THE GROVE SITE FOR TEMPORARY STORAGE COMMERCIAL FISHING VESSELS.

Mr. Mullins made a motion to accept Resolution No. 2013-44. Seconded by Mr. Bansek. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution passed.

Mr. Mullins indicated he would like a spreadsheet created for all contracts showing contract beginning and end dates including amounts. This should be prepared before the October, 2013 Board Meeting.

B. Strategic Development Plan Committee – No Report

C. Marketing & Public Affairs Committee – No Report

1. Fee Waiver Request - Valor Home/DAV 20 – Welcome Home All Veterans Picnic. Mr. Bruening indicated that this is a picnic for all the Veterans of Lorain County on Saturday, October 12, 2013. They will be using the pavilion areas only. Mr. Davila made a motion to waive all the fees associated with this event, which includes the deposit and rental. Seconded by Mr. Sommers. Motion carried.

2. Fee Waiver Request – Lorain Growth Corporation Tourism Committee. Mr.

Bruening stated on October 10, 2013 the Lorain Growth Tourism Committee is hosting a Paprikash Dinner in the Transportation Center. The Tourism Committee is the group that is responsible for putting up the new trains. Mr. Williamson, Jr. made a motion to waive the rental fee for Lorain Growth Corporation Tourism Committee – Paprikash Dinner fundraiser. Seconded by Mr. Sommers. Mr. Nielsen indicated that he will be abstaining due to appearance of conflict of interest. Motion carried.

3. Fee Waiver Request – LoCo'Yaks. Mr. Bruening explained LoCo'Yaks is a local non-profit organization recently started in late 2012. They orchestrated the river clean-up. They will be having a fundraiser – Spaghetti Dinner – on October 17, 2013. Mr. Sommers made a motion to waive the fee for LoCo'Yaks Spaghetti Dinner fundraiser. Seconded by Mr. Mullins. Motion carried.

4. Ferry Terminal Building Update. Mr. Bruening presented an update on the Ferry Terminal Building. This project is moving forward quite nicely. The trades are doing a fantastic job.

5. 2013 Summer Concert Series Update. Mr. Bruening presented an update on the Summer Concert Series. This year's Concert Series was very successful. Attendance increased from last year. There was a significant increase in beer sales. Profits were doubled over last year. The Concert Series was the winner of Pulse Magazine's Live Music Award. We are considering one concert next year to be a paid concert.

6. Port Levy Fundraiser. Mr. Novak stated that a fundraiser for the Port Levy is in the works for next year. The fundraiser would be a wine tasting and having some items from Fligners. Tickets will be \$75.00 per ticket and the date would be October 10, 2013 from 5:00 to 7:30 p.m. at the Jackalope. Also, there will be tours out to the Lighthouse. Mr. Bansek made a motion from the Port Works Levy Committee to waive the fee for shuttle boat usage. Seconded by Ms. Carr. Motion carried.

D. Financial Planning and Audit Committee.

1 – 2. Bank Reconciliation Report for July and August 2013 and Financial Statement for July and August 2013. Mr. Davila reviewed the Bank Reconciliation Report for July and August and the Financial Statement for July and August 2013. Everything seems to be in order. Mrs. Smith explained a Memo Transaction. Mr. Mullins made a motion to accept the July and August 2013 Financial Statements. Seconded by Mr. Williamson, Jr. Motion carried.

3. Budget Amendment. Mrs. Smith stated when there is an Agency fund the opportunity to choose where the money is spent is not there. These are the AAS Conduit loans. AAS/CAMACO paid off all of their outstanding loans in full to be completed by September 1, 2013. This Budget Amendment needs to be

retroactive to September 1, 2013. The balance remaining is for deferred administrative fees in the amount of \$53,345.20. Mr. Nielsen is abstaining from this matter due to appearance of conflict of interest.

Mrs. Cook 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. Sommers made a motion to accept Resolution No. 2013-45. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 1 Resolution passed.
(Mr. Nielsen abstained
Due to appearance of
Conflict of Interest)

4. AAS/CAMACO Agency Fund transfer to General Fund.

Mrs. Cook presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO TRANSFER THE REMAINING FUND BALANCE FROM AN AGENCY FUND (ADVANCED AUTOMOTIVE SYSTEMS/CAMACO FUND) TO THE GENERAL FUND IN LIEU OF DEFERRED ADMINISTRATIVE FEES AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Davila made a motion to accept Resolution No. 2013-46. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 1 Resolution passed.
(Mr. Nielsen abstained
Due to appearance of
Conflict of Interest)

5. Then and Now Certificate. Mr. Smith stated this Then and Now Certificate pertains to the monies coming from ODOT, which is part of the first Change Order that was paid on the Pier Project. Part of the funds could be reimbursed to us for construction reimbursement. Once the settlement was concluded, there was a balance of \$25,037.16.

Mr. Nielsen presented:

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

Mr. Bansek made a motion to accept Resolution No. 2013-47. Seconded by Ms. Carr. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution passed.

6. State Cooperative Purchasing Agreement. Mrs. Smith indicated that the Agency would like to become a part of this State Cooperative Purchasing Agreement due to the fact that the rates that are given are excellent.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE LORAIN PORT AUTHORITY TO PARTICIPATE IN THE STATE OF OHIO COOPERATIVE PURCHASING PROGRAM.

Mr. Sommers made a motion to accept Resolution No. 2013-48. Seconded by Mr. Williamson, Jr. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution passed.

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

6. Public Comments.

Jim Tomazic asked a question about the former Floating Tire Breakwater Project in the Harbor. Mr. Novak responded the floating dock breakwall was in place before the permanent breakwall was constructed off the East Pier between 1981 and 1987/1988. This was constructed with thousands of tires that were put together. Mr. Tomazic asked what that area was referred to as now. Mr. Novak responded it is referred to as Spitzer Lakeside Marina. Mr. Tomazic inquired as to when that was built. Mr. Novak responded 1988. He also informed Mr. Tomazic that we have a Development Agreement with Mr. Spitzer. \$6.5 Million Dollars in Bonds were issued by the Port in order to construct that facility. Mr. Spitzer built the parking lot, the administrative offices, and the Marina itself.

7. Other Business – Executive Session

Ms. Carr made a motion to enter Executive Session for the purpose of discussing pending and imminent litigation. Seconded by Mr. Mullins. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution passed.

Mr. Sommers made a motion to return to regular session. Seconded by Mr. Bansek. Motion carried.

8. Adjournment

There being no further business to come before the Board, Mr. Davila made a motion to adjourn. Seconded by Mr. Nielsen. Motion carried. The meeting was adjourned at 8:53 p.m.

Carl Nielsen, Chairman

Richard M. Novak, Executive Director