

**Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office
Tuesday, November 8, 2022, at 7:00 p.m.**

Board of Directors: Ms. Bonilla and Kiraly; Messrs. Mullins, Nielsen, Vassie
(7:01p), Veard and Zellers (7)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva-Smith, Office Manager
Michael Brosky, Attorney

Guests: None

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. Pledge of Allegiance

III. Disposition of Meeting Minutes

A. October 11, 2022, Regular Board Meeting: Mrs. Leyva-Smith said there were no changes or corrections. Ms. Kiraly moved to approve the meeting minutes. Second by Mr. Zellers. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence received: Mr. Brown said we got a nice thank you from Neil Sommers' family for our donation in lieu of flowers and the sandwich platter we sent.
2. Mayor's office: Mr. Brown said last week he received the appointment letter for Mrs. Michele Silva Arredondo. Her appointment by Mayor Jack Bradley was approved by Lorain City Council yesterday and she will be sworn in at the December meeting. Mrs. Silva Arredondo will finish Mr. Sommers' term.
3. Commissioner Lundy's Office: Mr. Brown said he received a call last week and was able to pick up the ARPA check for the stage project. Mr. Zellers

said there was a great article in the paper about it. Mr. Brown said it was the only allocation that day with a unanimous vote by the commissioners.

B. Executive Director

1. Neil Sommers Commendation: Mr. Brown said Mrs. Leyva-Smith prepared the resolution. We will get the votes of the absent board members in an effort to have a unanimous vote of nine.

Mr. Mullins presented:

A RESOLUTION COMMENDING NEIL SOMMERS FOR HIS OUTSTANDING SERVICE, DEDICATION AND COMMITMENT TO THE LORAIN PORT AND FINANCE AUTHORITY.

Mr. Nielsen moved to approve Resolution No. 2022-26. Second by Mr. Veard. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

C. Assistant Director

1. Agreement with Verdantas for Brownfield Assessment Grant: Ms. McClelland said we would like to enter into an agreement with Verdantas for the Brownfield assessment work.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH VERDANTAS FOR THE USEPA BROWNFIELD (HAZARDOUS) ASSESSMENT GRANT PENDING FINAL LEGAL APPROVAL.

Mr. Nielsen moved to approve Resolution No. 2022-27. Second by Mr. Zellers. Roll call votes as follows:

Ayes: 6 Nays: 0 Abstain: 1 Resolution Passed

V. Report of Committees

A. Contract Management Committee

1. Chris Haynes Creative Content Contract: Mr. Zellers said Mr. Chis Haynes gave a presentation about what he has been doing for us. He said Mr. Haynes is very energetic and is a sharp young man. He will be putting together a scope of work. We're currently paying him \$1,000 per month. He's

asking for \$1,500 per month. Mr. Zellers thinks it's well worth that. We'll have the scope of work for the December meeting. Barring no unforeseen changes, Mr. Zellers said he anticipates starting the new contract January 1. Mr. Mullins said he pays a content manager \$1,000 for just writing. He said Mr. Haynes does a lot for what he's charging.

- 2. Port of Lorain Trailhead Project Contract:** Mr. Zellers said we went out and requested bids for this project. We only received one proposal from Terminal Ready Mix. Mr. Brown said grant language can scare some contractors away. ODNR allows us to use our procedures as far as how we go out for proposals. Mr. Brown said we stated at a \$100,000 budget a couple of years ago and then things went crazy with COVID, so now we're probably going to be around \$120,000 and the Metro Parks will be absorbing quite a bit of that difference. The contract with Terminal Ready Mix is not to exceed \$81,000 and plan to have a construction meeting to potentially bring that price down some. This price includes the installation of bench swings, bike racks and the bike repair station, too. Mr. Brown thinks it will be a really nice outlook and additional public access point to our waterways. If the board approves this evening, we can open a purchase order tomorrow and arrange scheduling. We're hoping to get the concrete in before the snow falls. We did secure a six-month extension to June 1 from ODNR in case that doesn't happen. Mr. Nielsen asked if there would be lights. Mr. Brown said not at this point. Mr. Zellers confirmed this is our property less the easement the board approved previously for the bike trail. Mr. Brown said the Metro Parks also owns the home next to the trailhead, so there is potential for further collaboration in the future. Mr. Zellers said the committee recommended approval by the full board. Mr. Nielsen said he's concerned about the maintenance aspect. Mr. Zellers said he doesn't see a lot of maintenance. He sees a lot of concrete needing poured. Mr. Nielsen said would like an agreement with the Metro Parks for future maintenance. Mr. Mullins asked if any funds were set aside for future maintenance? Mr. Brown said that hadn't been discussed, and he could broach the subject, but he believes this is something we should have

brought to their attention when we accepted for the grant. Now that we've accepted it, we need to see it through to the end. Mr. Mullins said it would be less grass to mow, no electricity and minimal structures outside of concrete and metal. He thinks we go forward. Mr. Veard said if we go out for additional proposals, we'd definitely be using the extension.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO CONTRACT WITH TERMINAL READY MIX FOR WORK TO BE COMPLETED AT THE MILE MARKER 00 SITE, NOT TO EXCEED \$81,000.00.

Mr. Zellers moved to approved Resolution No. 2022-28. Second by Ms. Kiraly. Roll call vote as follows:

Ayes: 6 Nays: 1 Abstain: 0 Resolution Passed

3. Riverside Building Lease Update: Mr. Zellers said we were hoping to have the lease ready for the bar and restaurant at Riverside Park, but this is on hold until Mr. Brown has a conversation with the city. We hope to have the lease ready to present at the December meeting. Mr. Brown said he thinks we're close. If the board isn't happy with the lease, we can go back out for proposals. He said he just needs to make sure we're in line with the 50-year lease we have with the city for the property.

B. Strategic Development Plan Committee

1. Mr. Mullins said there is no report.

C. Marketing and Public Affairs Committee

1. Mr. Nielsen said we're going to talk about the shuttle boats tonight. He thinks they were a success but there are still some growing pains. We're getting closer every year. We partnered with Mr. Bob Earley, Oasis Marinas and The Shipyards to offset the cost of the Water Taxi.
2. Shuttle Boat Operation Review: Mrs. Leyva-Smith said the sheet passed out is the updated numbers. She said Mrs. Smith noticed a few errors that were corrected before tonight's meeting. The only missing item under revenues is the \$2,500 sponsorship from The Shipyards. We unfortunately did not see a profit this year, but we are getting closer to breaking even. We carried 2,648

passengers. Of those passengers, 1,026 rode the Water Taxi. In addition to Rockin' on the River, the taxi ran during International Festival, BrewFest and The Summer Market. Mrs. Leyva-Smith said we had less trips scheduled this year than last year, but that is mostly due to captain availability. We had seven captains on our roster this year. Mr. Mullins asked if we lost around \$14,000. Mrs. Leyva-Smith said yes. Ms. Kiraly asked why the Lighthouse Tour numbers were down? Mrs. Leyva-Smith said she wasn't quite sure but thought it could be due to four tours and four dinners being cancelled. She explained it's harder to dock there when there's strong winds or rough waves. Mr. Brown said he thinks the pandemic and people having more money to get out with in 2021 somewhat affected tourism the last couple of years. Mr. Zellers asked what our expectations were this year? Mrs. Leyva-Smith said her goal was to break even or to get as close to breaking even as possible. Mrs. Smith said we got the boats in 2007. Mr. Nielsen asked if the boats were at an age where they need lots of maintenance? Mr. Brown said he believed the opposite and noticed maintenance costs going down in the last few years. He said the years of deferred maintenance led to the years where we saw increased maintenance costs. Mr. Nielsen said he hopes with the social media push next year can be even better than this year. Mr. Mullins asked how long the Lady Charleston was out of service? Mrs. Leyva-Smith said about two weeks, which was much shorter than initially anticipated. Mr. Scott asked what we expect next year and what's the worst-case scenario? Ms. McClelland said if we run the Water Taxi, we will lose money again. The loss this year is probably twofold: increasing the use of the Water Taxi and weather impacting the Lighthouse trips. Other limitations include captains. There's a set number of hours they can work and number of trips we can run. We can try to add more captains and trips. In order to break even, we would have to make some pretty significant changes. Mr. Mullins suggested maybe asking for an additional \$1,500 from the sponsors in 2023. He said he believes the Water Taxi is making a difference for these businesses. He thinks they see the value. Mr. Mullins suggested potentially a sponsorship

banner that can hang from the boat for something like \$500. Ms. McClelland said we considered that but wondered if it would be worth chasing sponsorships. Mr. Mullins asked if we got anything from Ms. Radhika Reddy? Mr. Brown said no. Mr. Scott said he's not against the taxi, but what do we anticipate the numbers to look like going into next year. He asked if we're asking for enough from the Shipyards since they're the direct beneficiary of the taxi. Mr. Mullins said more than The Shipyards benefit from it. Some people just get on for a short river ride. Mr. Brown said another way to look at this is one of the prongs of our mission is to increase the public's access to our waterways. Is it worth \$12,500 a year to do that with the Water Taxi? As much as he wants to see the shuttle boat program break even or make money, he said we don't invest a lot in marketing it and this might be the best marketing dollars we can spend if someone comes out and has a great afternoon or evening in Lorain on one of our boats and they remember to vote for us. Ms. McClelland said she believed when we talked about this last year, we were trying to understand what it would cost us to run the taxi and what we should ask for as sponsorships, and we came to \$15,000. We didn't feel comfortable asking for \$5,000 in what could still be considered a trial year and started out at \$2,500 split three ways to get the buy in. Mr. Brown said even if we didn't run the Water Taxi, the insurance and maintenance costs stay the same. Ms. McClelland said we'd need to add more trips to bring the cost down. Mr. Zellers said we're also not factoring in what Mr. Chris Haynes will be contributing in 2023. Mr. Scott asked if we could negotiate our contracts with the Lighthouse Foundation and other partners? He said everything is going up. It couldn't hurt to ask. Mr. Nielsen asked if we want to plan to run the Water Taxi next year? The consensus was yes. Mr. Zellers suggested a Contract Management Committee Meeting in December to discuss a plan on how to break even. Mr. Mullins said he heard great reviews about the Water Taxi all season. Mr. Zellers said he thinks we do have a responsibility to get people on the river, but if we can break even or make money, we should evaluate how to get there.

D. Financial Planning and Audit Committee

1. 2022 October Financial Statement: Ms. Bonilla said she reviewed receipts and the bank reconciliation with Mrs. Smith, and everything is in order. Mr. Scott moved to approve. Second by Mr. Zellers. Motion carried.
2. Fund Transfer: Mrs. Smith said this is rare, but with a special revenue fund you can transfer it back to the general fund. This is in regard to the Marine Patrol Fund. At the beginning of the year, we had payroll from 2021 that was paid in 2022. We have a balance of \$1.32 that will stay there forever unless we make a transfer. One step to get that done is a board approved resolution. Mrs. Smith said she also has a letter from ODNR approving the financials and recognizing 2021 as closed.

Mr. Mullins presented:

A RESOLUTION TO APPROVE A TRANSFER OF FUNDS FROM THE MARINE PATROL SPECIAL REVENUE FUND TO THE GENERAL FUND.

Ms. Kiraly moved to approve Resolution No. 2022-29. Second by Ms. Bonilla. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

3. Second Fund Transfer: Mrs. Smith said this transfer is related to the Port and Parks Bike Trail Station. This transfer will cover the additional cost. We're hoping we don't have to use it all, but we will have it available just in case. The amount is \$23, 266.66. Mr. Zellers confirmed that this is in addition to our initial \$50,000. Mrs. Smith said yes.

Mr. Mullins presented:

A RESOLUTION TO APPROVE A TRANSFER OF FUNDS FROM THE GENERAL FUND TO THE PORT AND PARKS BIKE TRAIL STATION CAPITAL PROJECTS FUND.

Ms. Kiraly moved to approve Resolution No. 2022-30. Second by Mr. Veard. Roll call vote as follows:

Ayes: 6 Nays: 1 Abstain: 0 Resolution Passed

4. Budget Amendment: Mrs. Smith said she passed out one this evening that has the revised in red to reflect the Port and Parks Bike Trail Station. The handout gives only the changes. The new Brownfield grant is included in the amendment. Mrs. Smith said she also added the stage project fund for the \$995,000 we received, and any other donations collected over the summer. Mr. Scott asked what happens if the stage doesn't come to fruition? Mr. Nielsen said we'd likely have to give all or some of it back.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2022 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Scott moved to approve Resolution No. 2022-32. Second by Ms. Kiraly. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

5. 2023 Temporary Budget Appropriations: Mrs. Smith said we need to pass a temporary budget before the end of the year. Since she was working on the budget, she decided to present it now to get it in place. We are not allowed to include our carryover balance in the temporary budget and the expenses must match or be less than the projected revenues, which is why some appropriations have been adjusted. Once we do the yearend close, we'll plug in the carryover amount into the permanent budget.

Mr. Mullins presented:

A RESOLUTION TO APPROVE THE 2023 ANNUAL BUDGET OF ESTIMATED REVENUES AND EXPENDITURES FOR THE LORAIN PORT AUTHORITY.

Mr. Zellers moved to approve Resolution No. 2022-32. Second by Mr. Veard. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

E. Bylaws and Personnel Committee

1. Mr. Brown said Ms. McClelland presented this last month and we're hoping to bring this back to bylaws committee in December.

VI. Other Business

A. None.

VII. Public Comment

A. None.

VIII. Executive Session: Personnel

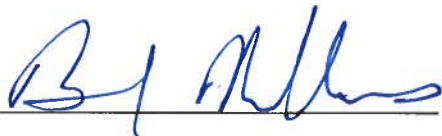
A. Mr. Nielsen moved to enter executive session. Second by Ms. Bonilla. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Motion carried

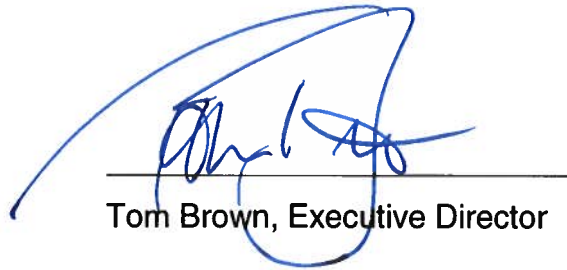
Mr. Veard moved to exit executive session. Second by Mr. Zellers. Motion carried.

IX. Adjournment

A. There being no further business to come before the board, Mr. Scott moved to adjourn. Ms. Kiraly seconded. Meeting adjourned at 8:25 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director