

Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office
Tuesday, January 10, 2023, at 7:00 p.m.

Board of Directors: Ms. Bonilla and Kiraly; Mrs. Silva Arredondo; Messrs.
Mullins, Scott, Veard and Zgonc (7)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
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. February 8, 2022, Bylaws & Personnel Committee Meeting: Mr. Veard moved to approve the meeting minutes. Second by Ms. Kiraly. Motion carried.
 - B. February 8, 2022, Marketing & Public Affairs Committee Meeting: Mrs. Silva Arredondo moved to approve the meeting minutes. Second by Ms. Bonilla. Motion carried.
 - C. April 27, 2022, Committee of the Whole Meeting: Mr. Veard moved to approve the meeting minutes. Second by Ms. Kiraly. Motion carried.
 - D. October 13, 2022, Bylaws & Personnel: Mr. Scott moved to approve the meeting minutes. Second by Mrs. Silva Arredondo. Motion carried.
 - E. December 13, 2022, Regular Board Meeting: Mrs. Leyva-Smith said she had a few corrections. She said (1) Mrs. Smith was removed from the staff list as she was absent, (2) Mrs. Silva Arredondo's title was changed from Ms. to Mrs. and (3) and unnecessary hyphen was removed from her name on page

26 of the board packet. Ms. Kiraly moved to approve the meeting minutes as corrected. Second by Mr. Scott. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence received:

- a. Mr. Brown said Mrs. Smith is still recovering from gallbladder surgery in December. She's been working about part time, 2-3 hours a day. She wasn't feeling well today. Will be back for a finance committee meeting prior to the February Regular Meeting.
- b. Mr. Brown said he got an email today. As he reported previously, he's been working with Mr. Bob Earley's liquor attorney. Mr. Mark Meyers of Columbus used to be the administrator of the state board of liquor control, so he knows the ins and outs. We entered into a small contract with him to start an application to run Black River Landing as our own liquor permit. We have a completed application. It will cost about \$2,300 per year. He reached out to the police chief and insurance, and there are no issues. Mr. Brown said he's asking for a motion of support to submit the application for the liquor permit. Mrs. Silva Arredondo asked whose name it will be in? Mr. Brown said it will be his name. He said he is confident it's the right time and step forward. Mrs. Silva Arredondo moved to support finalizing and submitting the application. Second by Ms. Kiraly. Motion carried.

B. Executive Director

1. Winter Storm Damage Report: Mr. Brown said it was a fun Christmas morning. Unfortunately, the downtown district lost power for about 10 hours on December 23. We were not immune to that. He rebooted the office on December 24, and everything checked out okay. At 11am on Christmas, Mr. Matt Kusznir called and said someone called him saying water was gushing out of our door at the Train Station. That was an understatement. Water was gushing from every door. The fire alarm went off as soon as Mr. Brown put his key in the door. The International Trees and Trains Display was set up, and about 2 inches of water was throughout the whole building. He secured the

meter and began squeegeeing water. The fire department showed up to disable the alarm. He squeegeed what he could. We had heat by that time and it got to about 50 degrees in the building when he left. The next day all but two puddles had drained. Trees and Trains had wet boxes and the cotton that looked like snow was soaked, but they didn't need a dumpster. There was no damage to any trains thankfully. They're in the process of cleaning and moving out. We initiated an insurance claim just in case. We learned a 2-inch pipe broke in four spots and ¾-inch pipe boke in one spot. Lucas Plumbing did a great job, and it was about \$565. We got lucky the water was mostly in brick and stone areas. Some of the baseboard is peeling, and there some tile issues, but both are old and could use replacing. There is a crack in the concrete floor, but it has been there and doesn't seem to be any wider. Mr. Brown doesn't think we'll file an insurance claim at this point. We don't need the premiums to go up and we haven't reached the deductible. Then Ms. McClelland and Mrs. Leyva-Smith came in Dec. 27, and they noticed we didn't have water in the office anywhere. There is a hot box behind the stage for the water meter and the GFCI tripped because of the power failure meaning the heat tape didn't come back on. Mrs. Leyva-Smith noticed water gushing from the hot box while heading out to lunch. The city fixed the meter. We called Lucas Plumbing back to fix a gasket on the backflow device and that was just under \$400. All in all, we dodged a couple bullets. We're looking into backup generators. This was a fluke, but the power outage coupled with the frigid temperatures did us in. We're also looking into a new hot box.

2. Agreement with Bialosky Cleveland: Mr. Brown said last month he reported that we went out for proposals on the architectural work. That's phase one included in the board packet, which is the schematic design. It will get us drawings, then we can go out for proposals for the construction manager at risk. We can start as early as tomorrow with board approval tonight. Once we have the schematic design, then we can dial it in and get our true cost analysis for what each phase will cost. The money from the county covers all of this. We hope to have money from the city soon. Mr. Brown said he talked

with Mr. Nielsen about a group to help with the corporate fundraising piece of this to establish levels of gifting, etc. He and Ms. McClelland met with them and one other group recommended by Bialosky. The other group was Cuyahoga County based and not the best fit. The group they like is more modern and creative. Mr. Brown said that will go to marketing committee for further discussion. Mr. Veard asked if the price comes down if we don't do a piece of what we initially envisioned? Mr. Brown said yes. Mr. Veard said he sees how it's broken down and believes the prices are high. As a contractor, he doesn't think the landscaping architect should get more than the structural engineer. Mr. Brown said we've told them we want to focus on Phase A and that will probably look like \$5-6 million. Mr. Veard thinks the numbers are high. Mr. Brown said our design ties to Broadway, and he wants to do it right as far as having all of the information on what everything will cost. If we need to, we can always taper it back. Mr. Scott asked what the construction manager at risk will cost? Ms. McClelland said the estimate is under \$50,000. Mr. Scott said the numbers seemed high to him too. He doesn't want to spend a quarter of a million dollars and not build a stage at the end. What's our back door? Mr. Brown said he thinks the fallback is we have to do something and we will. If at the end of the day we say we have \$3 million, we have to go back to the architects and see what we get at that price point. Mr. Mullins said we will have close to \$1.9 million from the county and the city once the city finalizes their donation. He knows people are interested in sponsoring, but you have to be in the industry to know how that works. He's comfortable sourcing that out, but he does agree the prices are a little high. Mr. Veard said he thought we were getting more for what we paid when we got the first architecture agreement. Mr. Brown said that was only about \$28,000. Mr. Veard said he understood, and now it's \$179,000 to design it. He thinks that's a lot of money to design what he sees as a simple project. It's a government job and he thinks they have their hand out. After being in the trades 35 years, he thinks that's a lot of money for architecture for what we're doing. He just wants to be a good steward of the money. He thinks this is expensive for

drawings to go to the next step. Mr. Mullins asked about Mr. Zellers' feedback. Ms. McClelland said he was in favor and thought the prices we in line. Mr. Brown said Mr. Zellers had one concern about us being able to supply the resources in partnership with them, but the next step of having a construction manager at risk would alleviate the burden on the staff. Mr. Veard asked if the cost of the architecture was dependent on what part of the project we actually build? Mr. Brown said this is the schematic design of everything, all phases. Ms. McClelland said yes, the architects will get 2% on what we decide to build, plus this amount for the schematic design. Once we have that, then we go out to bid for what we want. Mr. Brown said this will give us a good cost analysis. Ms. McClelland said we asked for them to set this up this way to set us up for success when we go out for grant dollars. Without actual numbers, we can't ask for assistance. Mr. Zgonc said it's good information for people who want to donate, too. Anybody who contributes will want to know what it gets them. Mr. Mullins agreed. Mr. Scott asked what a landscape architect is going to do for \$52,000 and what that will encompass? Mr. Brown said it's the earth, the peel, the sidewalks, the new plantings, creating the bowl, tiers, etc. All the sitework will be at Black River Landing. The schematic design will give us our cost analysis. Ms. McClelland said this sets us up to go out to bid. Mr. Brown said he talked with Rep. Joe Miller today on a separate matter and he wants to stay in the loop on this project. He thinks additional ARPA funding is coming down. Even for the state capital budget, we would need these numbers. They want to see the action from us and that we're invested. We have a great proposal and idea, but now we need to drill down to the nitty gritty. Mr. Brown said it is a lot of money.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH BIALOSKY CLEVELAND FOR SCHEMATIC DESIGN, DESIGN DEVELOPMENT, CONSTRUCTION DOCUMENTS, AND CONSTRUCTION ADMINISTRATION SERVICES RELATIVE TO THE BLACK RIVER LANDING AMPHITHEATER PROJECT.

Mr. Zgonc moved to approve Resolution No. 2023-01. Second by Ms. Kiraly. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

C. Assistant Director

1. Baker Tilly Municipal Advisors Services Agreement: Ms. McClelland said Baker Tilly is the municipal advisors we utilize for our financing projects. We've worked with them the last couple of years. She explained we've had a financial advisor on retainer for decades. We changed the contract this year. We were previously paying a monthly retainer. We don't need that anymore. This is a 3-year contract up to \$15,000 per year as needed. So, we'll pay them a flat fee of \$3,750 and after that it will be billed hourly. On bigger projects we need the expertise, but the smaller items she can handle. We want to have this in place for the next few years so that if and when we need them they're available. They'll let us know as we get closer to exceeding the flat rate. Mrs. Silva Arredondo asked if we'd need them more with the stage project? Ms. McClelland said likely, no. We use them mostly for financing deals, bonding, PACE projects, etc. Mr. Veard moved to approve. Second by Ms. Kiraly. Motion carried.

V. Report of Committees

A. Contract Management Committee

1. 2023 Independence Day Fireworks Display: Mrs. Leyva-Smith said following the 2022 Independence Day Fireworks Display, some board members expressed their disappointment in the show and its length. She reached out to American Fireworks and wanted to know what we could do to get closer to the 2019 show. Mr. Brian Teeling said we would need to increase our budget to about \$28,000 to get back to where we were, which is a \$6,000 increase. He said they are flexible and can adjust the show by whatever amount we are comfortable with. Mr. Scott asked if we could go out to bid? Mrs. Leyva-Smith said she didn't because we went out for proposals last year and included an optional second and third year with the same company. Mr. Mullins said unfortunately, there aren't many options as far as fireworks companies. The

one time he suggested going out for bids and we went with another company, fireworks ended up in the lake. It was a disaster. American Fireworks has done a good job in the past, but Mr. Mullins said he was disappointed last year. Mr. Scott asked if we knew why the show changed? Mr. Brown said that industry saw a 30% increase in costs. Shipping killed them. When we reviewed the shell counts, they were spot on. We haven't raised our budget since 2019 and it caught up with us. Ms. Kiraly asked how long the show was in 2022? Mr. Brown said 18 minutes. Mr. Veard said his personal fireworks show got smaller. They had trouble getting product in, and Phantom isn't doing class b anymore. Ms. McClelland said the options are an 18-minute show for \$22,000, a 25-minute show for \$28,000, or we go back out to bid. Mr. Mullins said people know us for the fireworks display. He wants to get more information. He wants a shell count in advance. Mr. Zgonc said he thinks we should bid it out. He's been to Kelley's Island and the company they have is phenomenal. Mr. Veard wanted to get a shell count, too. Ms. Kiraly asked if we could increase the budget by any amount? Mr. Brown said yes, they will adjust the show based on the amount we set. Ms. Kiraly suggested maybe incrementally increasing the budget. Mr. Mullins agreed and suggested Mrs. Leyva-Smith go back to American Fireworks and negotiate a bit to see what we could get for \$25,000. Mr. Scott agreed with negotiating. Mr. Brown said if the board sets a budget, he can also reach out to Rozzi Fireworks to see what they can offer. Mr. Mullins said Mr. Jim Bonaminio previously expressed interest in donating to the fireworks display. Mr. Mullins asked if the board was comfortable with \$25,000? The board said yes. Mr. Brown said he had a few heated phone calls with them following the display. Mr. Brosky said the counts were spot on, we just didn't realize how the show would be impacted. Ms. Kiraly moved to increase the fireworks budget from \$22,000 to \$25,000. Second by Ms. Bonilla. Motion carried.

B. Strategic Development Plan Committee

1. Mr. Mullins said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Nielsen was absent. Mr. Brown said Mr. Nielsen will be calling a meeting so everyone can meet the fundraising company and see what they have to offer.

D. Financial Planning and Audit Committee

1. Mr. Brown said the staff will present a budget to Ms. Bonilla once it's ready and then we'll have a committee meeting to discuss. Ms. Bonilla agreed.

E. Bylaws and Personnel Committee

1. Mr. Veard said there is no report.

VI. Other Business

- A. None.

VII. Public Comment

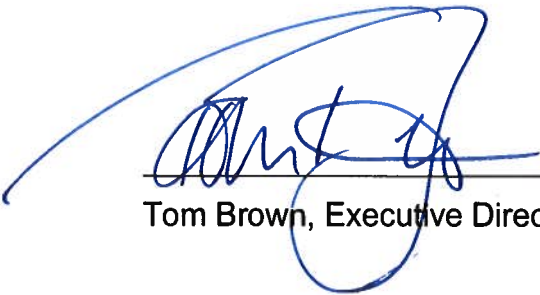
- A. None.

VIII. Adjournment

- A. There being no further business to come before the board, Mr. Scott moved to adjourn. Mr. Veard seconded. Meeting adjourned at 7:50 p.m.



Carl Nielsen, Vice Chairman



Tom Brown, Executive Director