

**Lorain Port and Finance Authority
Board of Directors
Contract Management Committee Meeting
Port Office
Tuesday, November 14, 2023, at 5:00 p.m.**

Committee Members: Messrs. Veard, Zellers and Zgonc (3)

Board of Directors: Mrs. Silva Arredondo and Messrs. Scott and Nielsen (5:34 p.m.)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva Smith, Office Manager
Mike Brosky, Attorney (5:52 p.m.)

Guests: None

I. Roll Call

A. The meeting was called to order at 5:05 p.m. by Contract Management Committee Chairman Jeff Zellers with roll call indicating a quorum present.

II. Report of Chairman

1. Continued Contract Services with Stacy Caddey Proposal: Mr. Zellers said this is our fundraising consultant. Mr. Brown said the board had a lot of questions after her presentation. How do we make the connections? We budgeted for her full contract, so this is a continuation of it. She split it into phases. The staff's recommendation is to contract for the next phase. Mr. Zellers asked about the cost? Ms. McClelland said it's \$90 per hour, which breaks down to \$3,000 a month for one day a week or \$6,000 a month for two days a week. Mr. Zellers said he thinks we have to set some kind of time frame with the ability to renew. Ms. McClelland agreed and said we need to get started. Mr. Brown suggested six months with a six month renewal. Mr. Zellers asked if it would start in the new year? Ms. McClelland said she and Mr. Brown talked about starting in December with Ms. Caddey working one day a week. Then next year we can increase to the two days a week contract amount. Mr. Scott asked if this was negotiable with Ms. Caddey? He said \$90

per hour is a lot. Have we countered? Mr. Zellers said of all the proposals we received from the different fundraising consultants, Ms. Caddey had the best hourly rate. He said he doesn't think \$90 an hour is terrible for professional services. Mr. Veard asked if she is going to counsel us or go out and do the fundraising? He said there is an art to begging, but to pay her to counsel us, he isn't sure at that rate. We need someone to go out and raise money. We have a big nut to crack. Mr. Brown said he is by no means an expert. She was recommended to us by the Lorian Historical Society. She helped them raise \$3 million dollars. She's going to get us ready to meet with the potential donors. Mr. Brown said Ms. Caddey has started to build a relationship with the people she interviewed in the feasibility study and he thinks it's worth it to take the next step. Mr. Scott asked if they raised the \$3 million? Mr. Brown said yes, and then some. Ms. McClelland said every consultant we've met with have offered the same services. No one is actually raising the money for you. They set you up for success to make the ask yourself. It has to be more about relationships. She thinks Ms. Caddey's services would be in line with anyone else's. Regardless of who our consultant is, it will be Mr. Brown, Ms. McClelland and board members in these meetings making the ask. Mr. Zgonc recommended hiring Ms. Caddey immediately for one day a week for December, and after the first of the year we go up to two days a week for six months. He said we're behind the eight ball and we need her experience and skill level. Mr. Zgonc said \$90 per hour is not unusual for this type of request. It can be as high as \$125 or \$150 per hour. Mr. Zellers said he thinks at times it might be 8 hours and others it could be 16 hours. He doesn't want to limit Ms. Caddey, but he does think it needs to be monitored. He wants to do an initial three months with two optional three-month renewals. Mr. Zgonc said that's good with him. Mr. Veard also agreed. Mr. Zellers said it will be 1 or 2 days, so either \$3,000 or \$6,000 a month, for three months. He agrees Ms. Caddey needs to start in December. Mrs. Silva Arredondo asked why three months instead of six? Mr. Zellers said he is confident it will go well but he wants an out if it doesn't. Mr. Zgonc moved to recommend to the full board

hiring Ms. Caddey for three months for up to \$6,000 each month with two options to renew for an additional three months. second by Mr. Veard. Motion carried.

2. Discussion and Analysis of Fundraising Goals: Mr. Brown said the board had questions about a lot of moving parts last month. We're going to talk at a high level about what are our options and goals so the board can then convey to staff what to accomplish. The board asked for a budget analysis and a timeframe. So far, we've been awarded nearly \$2 million and have until 2026 to spend it. If we want to break ground in October 2024, things have to start happening. We need a clear path of goals immediately. Mc. McClelland had prepared a presentation. Before Ms. McClelland started her presentation, Mr. Zellers asked about the releasing architects to start drawings and when we're going to talk about that? Mr. Brown said that would be covered in Ms. McClelland's presentation. Mr. Zellers asked about the other items under the contract section on the regular meeting agenda. Mr. Brown said the AAble Rents contracts are due to necessity. We need the current stage top installed again. Mrs. Leyva Smith said it is the same price as last year to clean, install, remove and store the stage top. Mr. Zellers said when it comes to KB Lawn & Snow, how does their proposal compare to what we previously paid? He also noticed snow removal wasn't included. Mr. Brown said our original landscaping company MTC Horticultural Services was bought out by KB Lawn & Snow. KB honored the contract, which didn't include snow removal. That's just the name of the company. Our snow removal is a separate contract with Born's Landscaping. Mrs. Leyva Smith said our contract with KB was \$72,405. The new proposal for 2024 is \$80,000 and includes area near Coat Guard Station. We had to spend an additional \$7,000 for cleanup around the property line there in the last three years, and now they're including it in our contract to keep a pulse on it. Mr. Zellers asked if our current contract was expiring. Mrs. Leyva Smith said yes, this November is the end of year three. Mr. Brown said he thinks it's in our best interest to stay with KB Lawn & Snow. He doesn't think the increase is that much considering

fuel prices, wage increases and other factors. We're happy with KB and they do good work. Mr. Scott asked what it would take to get additional proposals? Mr. Brown said getting proposals isn't the problem. What happens is a company will come in, see what we currently pay and then say we'll do it for \$72,500. We train them, show them pinch points, etc.... Everyone undercuts and then they can't afford it. We've actually had a company cancel a contract on us in the past after realizing they couldn't do it. Mr. Brown said it is a lot of money but the increase is reasonable. Mr. Zgonc said go with it. Mrs. Silva Arredondo asked if anything changed when we do the stage? Mr. Brown said possibly. Mr. Zellers moved to recommend going with KB Lawn & Snow removal for 2024, 2025, 2026 for \$80,000 each year. Second by Mr. Veard. Motion carried. Ms. McClelland said last time we talked we heard a lot of concern around some moving parts surrounding the stage project. She's created simple charts to show the moving parts and the decisions that need to be made over the next few months through the next year. In the new location, just the stage is \$5.9 million, plus about \$1 million in architectural/engineering fees. The greenroom amenities are an additional \$2.7 million, so altogether it's \$8.2 million plus \$1 million architect and engineering fees, meaning our best guess estimate is \$9.2 million. Ms. McClelland said there is a little bit of savings to do it all at once. Restrooms are a whole other conversation. We have restroom issues today, so they got some estimates. Ultimately, we're looking at adding onto the Train Station or building out restrooms in one of the pavilion structures. Depending on the direction we go, that would add \$200-500k that is not included in any other costs. This is just one of the moving parts. Ms. McClelland then moved on to the drop dead dates for notices to proceed for our \$9.2 million project. Mr. Brown said this would be breaking ground October 1, 2024. Ms. McClelland said we have to notify the architects by January 8 to proceed with their drawings. Between now and that date, we have to decide if we're building a stage for \$6 million, a stage and greenroom for \$9 million, or something completely different. The architects will start as soon as we are ready. Mr.

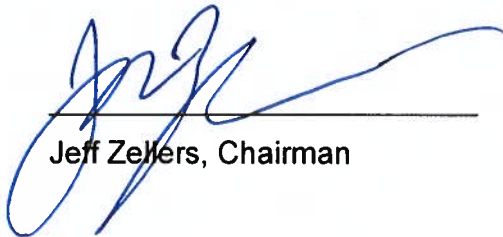
Brown said if we get them started in December, we get an extra four weeks and the deadlines look a little more forgiving. Ms. McClelland said we have to do something related to the stage. That vinyl is old and we're lucky it's still able to be installed. If we keep our current stage we have to replace the vinyl. Mr. Zgonc asked about what that would cost? Ms. McClelland said a couple of years ago it was \$150,000, but that number could be higher today. Mr. Brown said we were hyperaggressive to think we could break ground this fall. Realistically we have until 2026 to spend the ARPA dollars.

III. Other Business

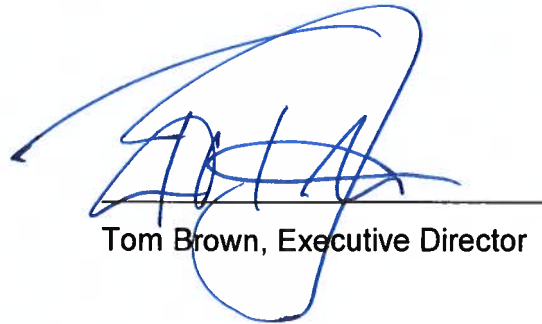
A. None.

IV. Adjournment

A. There being no further business to come before the committee, Mr. Veard moved to adjourn. Mr. Zgonc seconded. Meeting adjourned at 6:12 p.m.



Jeff Zellers, Chairman



Tom Brown, Executive Director