

**Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office**

Tuesday, November 14, 2023, at 6:00 p.m.

Board of Directors: Ms. Bonilla (left @ 7:01p); Mrs. Silva Arredondo; Messrs. Mullins (6:27 p.m.), Nielsen, Scott, Veard, Zellers and Zgonc (8)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva Smith, Office Manager
Mike Brosky, Esq., Port Attorney

Guests: None

I. Roll Call

A. The meeting was called to order at 6:18 p.m. by Vice Chairman Carl Nielsen with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Disposition of Meeting Minutes

A. October 10, 2023, Regular Board Meeting: Mr. Nielsen asked if there were any changes or corrections? Mrs. Leyva Smith said yes. On page one, she removed Mrs. Silva Arredondo and Ms. McClelland, and added Ms. Bonilla and Mrs. Smith. Mr. Zellers moved to approve as corrected. Second by Mr. Veard. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence received:

a. Mr. Brown said an email went out about two tickets we have to the Mexican Mutual Society event at 5 p.m. on Saturday, Nov. 18. We got them as part of our sponsor package, which covers us sponsors for their 2024 events. If no one interested, just let us know.

b. Report to council: Mr. Brown said after the dialogue at the last meeting, he reached out to Councilman Rey Carrion who is the chair of the program committee. He and Ms. McClelland went to the following week's council meeting to give a presentation and provide an update on the stage project. Council loves us and were happy for the update. They were not concerned and it went well. Mr. Zgonc asked if the Mayor was off base? Mr. Brown said he thinks it may have been a topic, and some council members weren't present, but those in attendance took turns saying they loved the port, trust us and know good things in the city start with the port.

B. Executive Director

1. Presentation of Levy Options: Mr. Brown said last month we presented the two charts and the board decided to hold off on choosing a replacement or renewal levy for the upcoming March 2024 election. If we look at the Lorain County Metro Parks as a comparable, they came in with 67.3 percent approval rating on a replacement levy. He wants a shot at going for the replacement levy and believes we have the reputation and support. If it doesn't pass we have another shot in November 2024. It's been 20 years since our last replacement levy. Mr. Brown said now is the time. Everything has gotten more expensive. Mr. Nielsen agreed. Mr. Brown said it would be an additional \$180,000 each year. The millage goes from a cost of \$28 per \$100,000 to \$35 per \$100,000, so a \$7 increase. Mrs. Smith said the county auditors estimate it will generate \$1,220,000 for us per year. Mr. Nielsen asked if that would fluctuate? Mrs. Smith said the number is fluid based on who pays their taxes. Mr. Scott doesn't want us to be confused with the county port. Mr. Brown said the staff and board members are good at making ourselves available and we will talk at every meeting possible to talk about our sites, our programming, our successes. That's how you get a levy passed. Signs don't vote, people vote. Mr. Nielsen said board members have to network. Mr. Zgonc said everything Mr. Nielsen said was true. He said our front sign needs updated so we can better brand ourselves. Mr. Nielsen said people don't read past the word "Lorain." He can't tell you how many people

think we bought the Midway Mall. He doesn't see how we win that battle. Unless we completely change our brand, people might confuse the two. Mr. Brown said he will get the front sign updated. Mr. Zellers said we have two options: Replacement means additional dollars, renewal is what we get today. Mr. Zellers moved to go for the replacement levy. Second by Mr. Nielsen.

Mr. Nielsen presented:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LORAIN PORT AUTHORITY AUTHORIZING REQUEST FOR REPLACEMENT OF AN EXISTING TAX LEVY FOR ALL PURPOSES OF THE LORAIN PORT AUTHORITY, INCLUDING ITS CONTINUING WATERFRONT DEVELOPMENT ACTIVITIES AND ECONOMIC DEVELOPMENT ACTIVITIES, AND FOR THE SUBMISSION OF THE REPLACEMENT TAX LEVY TO THE ELECTORS WITHIN THE JURISDICTION OF THE LORAIN PORT AUTHORITY IN THE MARCH 19, 2024, PRIMARY ELECTION.

Mr. Zellers moved to approve Resolution No. 2023-18. Second by Mrs. Silva Arredondo.

Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

V. Report of Committees

A. Contract Management Committee

1. Able Rents Stage Top Proposals: Mr. Zellers said the contract committee met today at 5 p.m. We have four proposals from Able Rents. They are for the cleaning, installation, removal and storage of the stage top. The quotes are the same as a year before. We don't have a lot of options to go anywhere else. The Contract Management Committee recommends the full board approve the proposals. Ms. Bonilla moved. Second by Mr. Zgonc. Motion carried.
2. KB Lawn and Snow Removal Grounds Maintenance Proposal: Mr. Zellers said this contract used to be with MTC Horticultural Services and they sold to KB Lawn & Snow. They've done phenomenal with landscaping and work well with the staff. Their proposal is for \$80,000 annually, which is about a 10 percent increase from our last contract. Mr. Brown said in the last three years we've had to contract twice for about \$7,000 worth of cleanup along our fence

line we share with the Coast Guard at Riverside Park. Instead of coming in after the area is overgrown, they're going to regularly manage it as part of the contract. Mr. Zellers said this would be for the next three years with no increase. The committee recommends the full board approve the proposal.

Mr. Nielsen presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH KB LAWN & SNOW REMOVAL LLC FOR PROFESSIONAL SERVICES RELATIVE TO THE 2024 LAWN MOWING GROUNDS MAINTENANCE OF LORAIN PORT AUTHORITY PROPERTIES.

Mrs. Silva Arredondo moved to approve Resolution No. 2023-19. Second by Mr. Zellers.

Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

3. Continued Contractual Services with Stacy Caddey: Mr. Zellers said is related to the fundraising for the stage project. Ms. Caddey has fulfilled the first part of her contract, which was the feasibility study to give us an idea of what is realistic for us to raise through fundraising. Her estimate was that we could raise about \$2 million. The next step is getting the fundraising committee together and then getting out in front of people. The proposal is \$90 per hour. If it's 8 hours for the week, that would be \$3,000 or if it's 16 hours it's \$6,000 per month. The committee recommends the full board approve signing up for three months with the ability to renew for three more months if things are going well, and then an additional three months after that if needed. Mr. Brown and Ms. McClelland will monitor Ms. Caddey's hours. The goal is to start in December. Mr. Nielsen asked if the max is 16 hours per week? Mr. Brown said yes. Mr. Scott moved to approve. Second by Mr. Zellers. Motion carried.
4. Fundraising discussion: Mr. Zellers said Ms. McClelland made a presentation to the committee about decisions that need to be made by the full board as they relate to the stage project. He turned the floor over to her. Ms. McClelland said the conversation during the committee was about the decisions and the moving parts of decisions that are going to influence how

we move forward with the stage project. Just the stage is \$5.9 million. On top of that is \$1 million in architect/engineering fees. Altogether it's about \$7 million for just the stage. The greenroom is \$2.7 million. Everything together is a little discounted, so it would be \$9.2 million to build everything. Mr. Zellers said sound equipment wasn't included. Whiting Turner's fee is included in the \$5.9 million. Mr. Brown said industry experts across the spectrum say we should have the stage engineered for sound equipment and not own sound equipment. So, in theory, we would go out for proposals like we do for ground maintenance and contract with someone for three years to bring in sound equipment. That would then be built into what we charge. Ms. Bonilla asked if the company would need to come in to install equipment each week like how it is now? Mr. Brown said it would be a hybrid. Some things will be seasonal. The rigging would be built into the structure, so setup could go from taking 8 hours to 2 hours. Currently, we have \$995,000 from the county. We have a \$995,000 commitment from the City of Lorain. She said the funding is broken down into that \$2 million in cash, the cash and financing the Port is willing to put in and the estimated \$2 million Ms. Caddey believes we can raise. That would leave us \$3 million shy of the \$9 million total. Mr. Zellers said it's only \$9 million if we do the greenroom. Ms. McClelland said that's correct. Mr. Zellers said it's \$7 million to move the stage and we could do the greenroom at a later date. But that scenario leaves us only \$1 million short of moving the stage. Ms. McClelland said yes, but that's if the board is comfortable with financing. Mr. Brown said we're still chasing grants and other funding sources. Mr. Mullins said he thinks we need to go for the big number to do the whole project. We can't get the caliber of acts we want without a greenroom. Mr. Brown said we have quickly approaching timeframes and we have to come to a conclusion on what we want the architects to draw up. Mr. Zellers said do we take the risk and keep with the current plan to relocate the stage. He's comfortable going with having them design the relocated stage and greenroom now. Mr. Mullins asked if the board felt we could raise \$2 million. Mr. Zellers said he thinks we can. He's more comfortable letting the

architects do their thing knowing we may not construct the greenroom. Mr. Mullins asked if we knew about the savings related to keeping the stage where it's currently located? Mr. Zellers said no. Mr. Brown said he's going to set up a meeting with the architects for next week. Mr. Mullins said we have more danger of not doing it than the location of the stage. He wants to know the cost savings of keeping the stage in its place. Mr. Zellers said Whiting Turner needs to be in the meeting, too. Mr. Scott said he thinks we need to tell the architects where we are financially. Mr. Brown said the conversation with the architects will be that the board instructed me to meet with you because \$x amount is the top amount we think we can get. It's a negotiation. Mr. Zellers said Whiting Turner gave a detailed estimate. He doesn't think it will be that big of an exercise. Mr. Zellers said we've got to have an idea of what it will cost to keep the stage where it is now by the December meeting. We're either going to pay them or where not breaking ground. Mr. Brown said the other option could be moving the stage but not compressing the bowl. Mr. Zellers said he thinks we need to focus on if it's a \$4 million or \$7 million dollar project. Mr. Scott is still skeptical. Mr. Zellers said we've got \$2million now another \$1 million we can finance plus \$500,000. The risk really is how much above that do we go?

B. Strategic Development Plan Committee

1. Mr. Zgonc said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Nielsen said he had no report.

D. Financial Planning and Audit Committee

1. August 2023 Financial Statement: Mrs. Smith said Ms. Bonilla left the meeting at 7:01 p.m., but she reviewed August, September and October financials prior to tonight's meeting. Ms. Bonilla also did the bank reconciliation for all three months. Mr. Zellers moved to approve the August financials. Second by Mrs. Silva Arredondo. Motion carried.
2. September 2023 Financial Statement: Motion by Mr. Veard to approve the September financials. Second by Mr. Zellers. Motion carried.

3. October 2023 Financial Statement: Mr. Nielsen moved to approve the October financials. Second by Mr. Veard. Motion carried.
4. Budget Amendment: Mrs. Smith said one item that we are changing that the board has to be aware of is the salaries. We are adding \$5,000 to that line item for Mrs. Leyva Smith and to keep the intern through the end of the year.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2023 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Zellers moved to approve Resolution No. 2023-20. Second by Mr. Nielsen. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

E. Bylaws and Personnel Committee

1. Discussion on Employee Compensation: Mr. Brown said the board asked us to begin this dialogue in November instead of December. He said restructuring was done last year and that resulted in bigger raises. This year is more status quo and there are no requests from the staff. Mr. Zellers said at Brewer Garret it's 3.5% for cost of living. Mr. Brown said he just wanted to start the dialogue and a committee meeting can be scheduled for December. Mr. Mullins thinks a committee meeting would be good.

VI. Other Business

A. None

VII. Public Comment

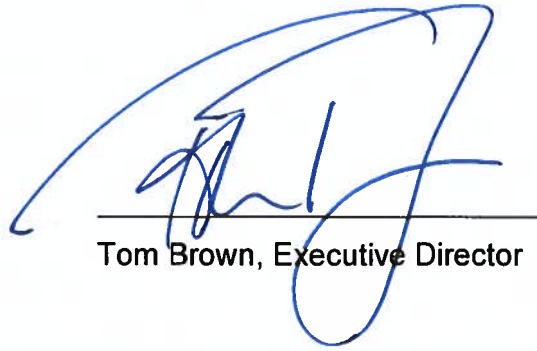
A. None

VIII. Adjournment

- A. There being no further business to come before the board, Mr. Scott moved to adjourn. Mr. Nielsen seconded. The meeting adjourned at 7:35 p.m.

A handwritten signature in blue ink, appearing to read 'Brad Mullins', written over a horizontal line.

Brad Mullins, Chairman

A handwritten signature in blue ink, appearing to read 'Tom Brown', written over a horizontal line.

Tom Brown, Executive Director