

**Lorain Port and Finance Authority**  
**Board of Directors**  
**Contract Management Committee Meeting**  
**Port Office**  
**Tuesday, December 12, 2023, at 5:00 p.m.**

**Committee Members:** Ms. Kiraly; Messrs. Nielsen (5:09 p.m.), Veard, Zellers and Zgonc (4)

**Board of Directors:** Ms. Bonilla (5:49 p.m.); Mrs. Silva Arredondo (5:12 p.m.); Messrs. Mullins and Scott

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

**Guests:** None

**I. Roll Call**

A. The meeting was called to order at 5:01 p.m. by Contract Management Committee Chairman Jeff Zellers with roll call indicating a quorum present.

**II. Disposition of Meeting Minutes**

A. May 9, 2023, Contract Management Committee Meeting: Mr. Zgonc said in the minutes there was talk of insurance for the stage project and he asked about the cost or if we needed additional insurance? Mr. Brown said he spoke with Mr. Dan Kelley and he assured us that our policies would cover us. Mr. Zellers said typically the insurance kicks in after we take ownership of the stage and greenroom. Up until then it's under the construction manager. Architects have insurance rates, too. Mr. Zgonc said auditing was also discussed. Mr. Zellers said the architect is doing that and we will have oversight. Staff and Mr. Zellers will cover it. Mr. Zgonc moved to approve. Second by Mr. Veard. Motion carried.

B. May 16, 2023, Joint Contract Management and Marketing & Public Affairs Committee Meeting: Mr. Veard moved to approve the minutes. Second by Mr. Zgonc. Motion carried.

C. June 13, 2023, Contract Management Committee Meeting: Mr. Veard moved to approve the minutes. Second by Mr. Zgonc. Motion carried.

### III. Report of Chairman

1. Murray Ridge Litter Control Contract: Mr. Zellers turned the floor Mrs. Leyva Smith. Mrs. Leyva Smith said she's talked with Mr. Bob Pando at Murray Ridge Production Center and they will not be raising our rates at this time. The rate has been the same for the last few years. There is the potential for a cost of living increase to the per man hour rate at a later date, but he will give us notice if that decision is made. Mr. Zellers asked for the cost per year? Mrs. Smith said it's \$11,840. Ms. Kiraly asked about challenges with litter pickup? Mr. Brown said because Rockin' on the River is cleaning up at night, their cleanup crew might miss some things, so we're rushing to get Murray Ridge in before the lawnmowers shred the litter. We plan to flip services in 2024 to alleviate that. Mr. Zgonc moved to recommend approval to the full board. Second by Ms. Kiraly. Motion carried.
2. Trolls Under the Bridge Lease Discussion: Mr. Brown said Trolls Under the Bridge came in two summers ago. Their first summer was abbreviated while they waited for equipment and they had a full season in 2023. It's now time to discuss an extension or renegotiate. They currently pay \$200 per month or \$2,400 a year. In talking with the Serfozos, their issue is in the summer they have to negotiate fees with other festivals and end up paying more than \$200 a month. They're proposing to not pay the \$200 during the winter months. But their equipment is still in the concession stand, and we pay for power and everything else. Even though they pay more in the summer, Mr. Brown still thinks it's a bargain at \$200 a month. He loves having them but he doesn't think we can give the space away. Mr. Mullins asked if they make any money? Mr. Brown said they do okay, but not really during the concerts. He said he could also ask Mr. Bob Earley not to double charge. With their equipment in that room, Mr. Brown said he doesn't think \$200 is a lot to ask for as storage units aren't available at that rate. Mr. Mullins said it's a unique

use. Mr. Zgonc moved to go with \$200 a month. Ms. Kiraly seconded. Motion carried.

- 3. Stage Architects Proposal:** Mr. Brown said he thinks we're at a crossroads. Where we are today, if we want any chance of breaking ground in fall 2024, we need to get the architects drawing. At a minimum tonight, we have to at least pass a motion to authorize them to start drawings. That's about \$250,000. To get us through construction documents is about \$650,000 total. All in through the whole project is about \$968,000 for phase 1A and 1B. There's no sense in drawing the stage without the greenroom. We need both. Mr. Veard said that's a lot of money for what we're getting. Mr. Zellers said it's 12% of the overall contract price for phase 1A and 1B. That doesn't include the schematic design that we're in the process of paying them another \$340,000. He agrees the overall price is a little steep for a standard construction project. But this isn't really a standard construction project. He has been impressed with the architects and construction manager. We're still going to have to work out a deal with the construction manager. The issue right now is our back is against the wall. We have to get this thing moving. We need documents by June 2024 so we can start construction by October 2024. In the last meeting, we talked about finances. He believes in the worst case, we're at about \$7 million that we're going to need to come up with. We have about \$1 million from the county and about \$1 million committed from the city. So that leaves us needing to fund \$5 million. The fundraising consultant thinks we can raise \$2 million, and we have \$500,000 to contribute. Mr. Zgonc asked if we're close to the \$7 million figure? Ms. McClelland said between the \$2 million from the city and county, the \$2 million in fundraising and the roughly \$2 million we could potentially contribute through cash and debt service, we're at \$6 million. We'd have to shop the debt service to get real numbers. Mr. Zellers said his recommendation is to do drawings for phase 1A and 1B, and then get to work on fundraising. Mr. Zellers asked if Mr. Brosky has weighed in? Mr. Brown said no. Mr. Zgonc asked about the state or federal funding? Mr. Brown said we're not including it but are working

on it. Ms. McClelland is submitting to the state capital budget this week. Guidance for the state's one-time grant fund for economically distressed communities hasn't come out yet. It was supposed to be released in June. Mr. Zellers asked are we close enough that we're comfortable spending \$1 million to do the construction drawings and get started? If we have any hope to get going next fall, we need to pull the trigger. Mrs. Silva Arredondo asked about the supplemental services and if we anticipated needing anything that isn't included in the base price? Mr. Veard said he thinks it's a lot of money. Mrs. Smith said on page 24 it talked about reimbursable expenses that are not included, which is typical. About what amount would that be? Mr. Zellers said in the long run keeping the stage where it's at doesn't save us any money because of the structural foundation. If we move the stage, we're also going to improve seating. Mr. Zgonc said it also talks about 4,000 in seating and 8,000 additional capacity. Ms. McClelland said there is a calculation for how many people can fit standing versus seated versus blankets for a specific area. We are not designing fixed seats. Mr. Zellers said they reduced the price by \$700,000. Mr. Zellers said he came up with \$7 million by adding the architect's fees, Whiting-Turner's fees, and taking into account things that could happen later he's at \$6.2 million. That isn't including the \$340,000 we're currently paying or what we pay Ms. Caddey will also go on top of that. That still leaves \$400,000 for anything we aren't thinking of right now, so some contingency is built in. Mr. Scott said if we only come up with \$4.5 or 5 million, what is the back door? Mr. Brown said the ARPA dollars have to spent by 2026. If we get the drawings done, we have a shovel ready project. We can break ground on something in 2024 and continue to fundraise. Or we could wait to break ground in 2025 and be ready in 2026. Mr. Zellers said the only thing we know for sure is we have the money from the county and we've already spent some of it. We know we can do some type of financing. What's at risk is passing the levy. What's at risk is are we going to get the money from the city? Fundraising is at risk. We're going to have to work hard. Do we feel confident enough? If not, it's not going to happen by next fall. His

recommendation is to pull the trigger. Mr. Zgonc said on exhibit a it shows \$100,000 in engineering, but on another page it says \$135,000. Mr. Zellers said we've already paid a portion of the total. Mr. Zgonc said lighting design was \$62,800 versus \$63,000-70,400. Mr. Zellers said he thinks there still need to be conversation and push back on a couple different items. But we're still in a situation where we have to get moving if we're going to do this. Ms. Kiraly said the only option is to move forward. Mr. Zgonc asked if this includes Whiting-Turner? Mr. Zellers said no it doesn't. We're paying them \$30,000 for preconstruction. We're going to need to get them under contract, too. That's the very next thing that needs to happen. Mr. Brown said they are included in Mr. Zellers's \$6.2 million total estimate. Mr. Zgonc asked if there was preference for local vendors? Mr. Zellers said no and he doesn't think it's needed. We have the right of first refusal on any contractors. We have a say at what bidders get a look to begin with, too. Worst case scenario, we get someone we don't want, then we as a committee can go another route. We absolutely have a say on who does what. The language that gives us the ability to pick and choose who we would like to use is in there. Tonight is architecture and engineering fees only. Mr. Zgonc asked when we'd get to the next step? Mr. Zellers said we'll know more in January. Mr. Scott asked what our talking points are to people with questions about our decisions? Mr. Nielsen asked if Ms. McClelland had any figures for the economic impact of if we had the stage built? Ms. McClelland said she's done some basic economic impact analysis on the current visitors to BRL. The port invested in BRL 20 years ago to try to help with the revitalization of downtown and now we're seeing things like the hotel come to town. The economic impact for our investments in waterfront property have shown and will only continue to grow by more attendance. Mr. Nielsen said we have to work on our partnership with the city and we have to be at the table. Mr. Zellers said he sees this as an opportunity to strengthen our relationship with the city. Mr. Scott said it's critical the city show support and they need to show more support. It has to be an effort together. We need to sit down and talk with the Mayor and see

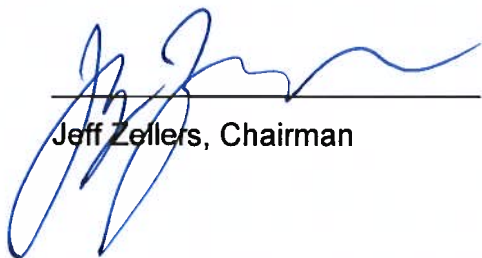
what he thinks. Mr. Zgonc said the document talks about litigation. Does that mean Lorain or Cuyahoga County? Mr. Zellers said Lorain. He wants arbitration. Those are fine points that will be clarified. Ms. Kiraly moved to recommend approval to the full board. Second by Mr. Veard. Motion carried.

**IV. Other Business**

A. None.

**V. Adjournment**

A. There being no further business to come before the committee, Mr. Zgonc moved to adjourn. Ms. Kiraly seconded. Meeting adjourned at 5:50 p.m.



Jeff Zellers, Chairman



Tom Brown, Executive Director