

Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office
Tuesday, April 9, 2024, at 6:00 p.m.

Board of Directors: Ms. Bonilla and Kiraly; Mrs. Silva Arredondo; Messrs.
Mullins, Nielsen, Scott, Veard, Zellers and Zgonc (9)

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 6:04 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Report of Officers

A. Chairman

1. Board Elections: Mr. Brown said our bylaws were changed last year so he will remain secretary and Mrs. Smith will remain treasurer. He then opened the floor for chairman nominations. Mr. Zellers nominated Mr. Mullins. Second by Mr. Veard. With no other nominations, everyone voted, and Mr. Mullins was appointed chairman. Mr. Brown then moved on to vice chair nominations. Mr. Zellers nominated Mr. Nielsen. Second by Mr. Mullins. With no other nominations, everyone voted, and Mr. Nielsen was named vice chairman. Both said it was an honor to serve another term.

2. Correspondence received:

a. Mr. Brown said he handled a few items. We had previously voted to support the CHIP Hispanic Leadership Conference and they will be postponing until next year. We will keep you posted on the new date.

B. Executive Director

1. Total Eclipse of the Port Event: Mr. Brown said we broke the record for total eclipse attendance at Black River Landing. The staff did great and Mr. Zgonc was here helping. The site looks good and the litter was cleaned up. Food and merchandise vendors did well. Entertainment was great. He thinks the media scared everyone to stay home. We had about 2,500 or more and a lot of out-of-state people who were very complimentary. Overall, it was a good learning experience. We would of like to have made a little more but we did well. We don't have the final numbers yet, but we made \$1,400 parking. We did fairly well with vendors. We have 15 food vendors and 12 merchandise vendors. The event was well received. People were happy. Mr. Mullins thanked the staff for the extra effort. He thinks we did well from a public relations perspective. Mr. Nielsen said good work getting the stage top up. Mr. Brown said we also learned a better way for food truck setup. He said when we built this site, vendors were setting up tables and roasters. Now everybody has a food truck. We're going to talk to Mr. Early, and for any event we host, we're going to line up food trucks on the outside of the pavilions, that way whole midway is wide open. We also want timed arrivals on a set schedule so it's not a traffic jam of trucks trying to get around each other. During Rockin on the River, trucks drive all over the site. For the eclipse, we had a no-grass policy and got almost everyone to stay off the grass.
2. Lorain Historical Society Request: Mr. Brown said we received an email from Madison Maniaci with the Lorain Historical Society. They want to use some of our drone images to sell merchandise. Mr. Brown said at first blush he thought absolutely. He wanted to have a discussion about it because we pay for the content. They want to sell freighter merchandise. He likes being supportive but he wanted to bring it before the board because we pay \$1,500 a month for Mr. Chris Hayes to create that content. Mr. Zellers said we own it? Mr. Brown said yes, we own everything he creates. Mr. Mullins asked if we would be compensated based on a percentage or per item? Mr. Brown said that is up for discussion. He isn't sure exactly what the merchandise will be.

- Mrs. Leyva Smith said the historical society has recently made cups, shirts and keychains, but she can ask Ms. Maniaci. Mr. Nielsen said there should be a charge since we pay for it. Mr. Mullins said it can be a percentage of what they sell, and we retain the image. He thinks that's fair. Mr. Zgonc suggested we get credits with our name and logo, compliments of the port authority. Mr. Brown said credit is a starting point for sure. Mr. Nielsen said credit is good but we need to retain the image. Mr. Mullins agreed with Mr. Zgonc and thought it was a good compromise. Mr. Brown sees it as branding for us.
3. ARPA Agreement Update: Mr. Brown said he got the final ARPA agreement today from the City of Lorain shortly before the meeting. About two months ago, Mr. Mike Brosky had asked them to remove certain language. The city did take those things away. Mr. Brown said now we have to reach out to our construction manager and asked him for the first \$2 million we're going to spend on this project so the city can pick through and confirm what they will approve can be covered by the ARPA dollars, and then we'll get our check. What Mr. Brown needs is a motion authorizing him to enter into the final ARPA Agreement with final legal approval. Ms. Kiraly asked if this was now a reimbursement? Mr. Brown said no, we just have to report what we intend to spend it on. Motion by Mrs. Silva Arredondo. Second by Mr. Nielsen. Motion carried with Ms. Kiraly abstaining due to the appearance of a conflict of interest.

C. Assistant Director

1. Ms. McClelland said the Cabela's NTC is coming up May 8-11. We'll need all hands on deck. Wednesday night is the dinner at the Train Station. We'll need people that night, too, to help get people fed and for cleanup. From 1:30-5p is when we'll need people for the three days of fishing. About 6 people. Probably more like 10 on Wednesday, from about 4-7p. Ms. McClelland said we're looking at about 300 teams right now. Saturday will probably be the shortest day.
2. Ms. McClelland said the other item is Friday, May 24, is the first Rockin' on the River show and it's our pour night.

IV. Report of Committees

A. Contract Management Committee

1. Mr. Zellers said there was a meeting today about the stage with the architect and the builder. They have gone to the next level with design development drawings. They've redone the budget. It was higher than they thought and they're getting it closer to where it needs to be. We've decided we're comfortable and that on the low side we can do the stage and the greenroom building. The question is if we build it out. Fundraising will determine the development of the peel. We're going to have to start paying contractors soon and getting money in here. We'll have the guaranteed maximum price in June with different options. After that is when we'll need to start making decisions. Mr. Brown said Mr. Zellers has been invaluable in this process. Mr. Zellers said we're going to do a new cash flow along with preconstruction costs by next Tuesday. He said we've committed to every other Tuesday to an owners meeting with the architect and construction manager to talk about anything we might have missed. They are going out and getting competitive pricing. Mr. Zellers expects it to be in the \$8 million range. Ms. McClelland said July 9 we'll get the information and have to make a decision by July 7. Mr. Zellers said the architect and CMR are recommending getting the glass now for the green room. Mr. Brown said we'll spend money not doing the glass. Mr. Mullins asked if we're on schedule to break ground? Mr. Zellers said yes, but we have to all meet our dates. Mr. Mullins asked if we've talked to banks? Mr. Brown said Ms. McClelland is working on that with legal. Ms. McClelland said she has the template term sheet together and is working on it. She said to send any bank recommendations to her. Mr. Mullins asked what the port is committed to? Mr. Brown is meeting with Ms. Cindy Andrews from the Lorain County Community Foundation next week. He also has requests out to Nord Foundation and Stocker Foundation. This is an important week, the senate is hashing out the state capital budget. We have a \$2 million request to the state capital budget and a \$5 million request to the one-time Ohio fund. Mr. Mullins asked about the amount we're seeking from a bank? Ms. McClelland said

they're exploring between \$4-5 million depending on the bank terms. Mr. Mullins asked when the state capital budget and other fund will announce awards? Mr. Brown said work officially began April 8, but we're hoping announcements come soon, maybe June. Ms. Bonilla asked if any of the money was restricted? Mr. Brown said no, this is project based so it's like a grant. It qualifies because of the city's demographics and public access. Mr. Mullins asked about prerequisites? Ms. McClelland said we're likely already doing it because of our internal policies. Mrs. Silva Arredondo asked which banks we're talking with? Ms. McClelland said any bank but think larger. Buckeye would be the smallest one locally. Huntington, Key Bank, PNC, etc. Those are just the main, larger banks that will generally do private placement bonds for government agencies. Mr. Scott asked about the rates? Ms. McClelland said usually they're fixed. We've written out our asking terms for financing and will see what we get back. Mr. Zellers said \$4-5 million is without city or county money? She said yes. Mr. Zgonc asked about the base design? Mr. Zellers said it's the same design: steel structure, steel shingles and wood underneath. We'll have base pricing and things we can add to it. Building out the peel is a big one. Mr. Brown said there are things we're going to build for but leave them unfinished if we don't fundraise enough. We'll be able to add them as we get sponsorships. Mr. Scott said about the bond issue, how long are we looking to commit? And how much in yearly cost? Ms. McClelland said she's looking at 20 years, and \$350,000 in debt service annually, so about \$30,000 a month. This is an educated guess. Ms. McClelland said it's usually two annual payments but this is up for negotiation. There are benefits to staying under \$5 million. We're requesting to be able to pay off early, and at a fixed rate. In March 2025, the additional funding will start to come in from the replacement levy. Mr. Brown said no path is being left unexplored. There is no prepayment penalty, but that will depend on what the banks come back with. Bricker Graydon is our bond counsel.

B. Strategic Development Plan Committee

1. Mr. Zgonc said he had no report at this time.

C. Marketing and Public Affairs Committee

- 1. Mr. Nielsen said he had no report at this time.

D. Financial Planning and Audit Committee

- 1. February 2024 Financial Statement: Ms. Bonilla said she met with Mrs. Smith this evening. She turned the floor over to Mrs. Smith. Mrs. Smith said everything went out in the board packet. She asked if anyone had any questions? Mr. Veard moved to approve. Second by Mr. Scott. Motion carried.
- 2. March 2024 Financial Statement: Ms. Kiraly moved to approve the March financials. Second by Mr. Scott. Motion carried.
- 3. Budget Amendment: Mrs. Smith said we needed to do an amendment to include the auditing services, so when they call we have the money available to do the purchase order.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2024 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. 2024-10. Second by Mr. Veard. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

E. Bylaws and Personnel Committee

- 1. Mrs. Silva Arredondo said she had no report.

V. Other Business

- A.** Mr. Zellers thanked everyone for their work on the levy. Mr. Brown said he would have liked a higher number, but it was a low voter turnout. He’s happy, especially since it was a replacement. He thanked everyone for their effort. Mr. Zgonc said the city levy being on the ballot may have affected us, too.
- B.** Mr. Scott asked about an agreement for the future of Rockin’ on the River, as well as restructuring? Mr. Brown said it is complete and will be presented to Mr. Bob Early as soon as possible. He said we did a lot of work to determine there

would be too much involved in creating a separate entity, so it'll be managed in-house for now.

- C. Mr. Zgonc mentioned the dispute resolution with our construction manager at risk contract. Has that been cleared up? Mr. Brown said yes, it would be Lorain County. Mr. Zgonc requested a bulleted list for what's due when. Mr. Brown said a timeline will be sent out. Mr. Zgonc asked about the steering committee? Mr. Brown said they met and might meet again this week. They're rounding out sponsorship levels for different features.

VI. Public Comment

- A. None.

VII. Adjournment

- A. There being no further business to come before the board, Mr. Veard moved to adjourn. Ms. Bonilla seconded. The meeting adjourned at 7:01 p.m.

Brad Mullins, Chairman

Tom Brown, Executive Director