

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

Board of Directors: Ms. Bonilla and Kiraly; Mrs. Silva Arredondo; Messrs.
Mullins, Scott, Veard, Zellers and Zgonc (8)

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

Guests: Beth Henley, Lorain First Ward Councilwoman
Joanne Zelina, Lorain resident
Michael Santa, Oasis Marinas at Port Lorain
Eileene Torres, Hispanic Fund/Lorain County Community Foundation
Ben Norton, Buckeye Community Bank
Jack Bradley, Lorain Mayor

I. Roll Call

A. The meeting was called to order at 6:00 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Ben Norton steering committee report: Mr. Ben Norton said he is accustomed to fundraising. He said he loves working with Jeff and Tiffany. He said Tiffany did a great job presenting at a meeting today. We're working with a Campana brother. Mr. Norton said he was done a few years ago. Now this will be his last capital fundraising campaign. He said Mr. Bob Campana is a go getter. They don't back losers and the Port is not a loser. The next Tuesday and Thursday every week from now through August they'll have meetings with people who could potentially support the project. You serve on a board to give, to get or get off. Literature was passed out to the group today, and every seat was filled. He again compliment Tiffany on her presentation. He and Bob are working on the philanthropic giving and the goal is to raise \$3 million. There's another \$7 million we also want to raise. We're about 60% on the \$7 million. He thinks they're off to a fantastic start. Naming opportunities are

pretty high amounts. The fundraising campaign is over a four-year period. Every board member has the packet in front of them tonight. He said it's very important when we give our message we can say there was 100% board participation. That's a huge selling point for them. Mr. Mullins said he appreciates Mr. Norton's time and effort. We're optimistic. Mr. Zellers said last week Mr. Pete Kohlmyer from Kohlmyer Supply and the County Commissioner Jeff Riddell and his wife Dona heard the presentation. They're all excited about what we'll accomplish here. Mr. Zellers said there were about 12 people here today. We'll have about 12 more people here on Thursday.

IV. Disposition

- A. May 14, 2024, Regular Board Meeting Minutes: Mr. Zellers moved to approve the meeting minutes. Second by Ms. Bonilla. Motion carried.
- B. June 11, 2024, Regular Board Meeting Minutes: Mr. Veard moved to approve the meeting minutes. Second by Mrs. Silva Arredondo. Motion carried.

V. Report of Officers

A. Chairman

- 1. Intern Introduction: Olivia Stacklin: Mrs. McClelland
- 2. Correspondence received:
 - a. x

B. Executive Director

- 1. Oasis Marinas Fuel Dock Report: Mrs. McClelland said Mr. Michael Santa is here from Oasis to give a presentation and answer questions. Mr. Santa introduced himself. He has been the manager for three seasons. He wanted to provide an update on the fuel dock. In the photos it shows the damage encountered in mid-March. A 50-ft concrete section detached from both platforms. It was replaced twice in five seasons. The platform split about 6 feet from one another and that gap grew to 10 feet. The shift damaged the conduit on the building that supplies electric for pumps and systems. Shoreline Contractors and NGW provided quotes. A lot of other companies were too backed up to quote. NGW had the best quote and they signed to start work on June 16. The fuel dock was back in service by the next Friday.

NGW had a welder on site to attach a new bracket and shackle. They also repositioned anchors. Today there is one 55-foot platform. Firelands Electric had to run new conduit into the fuel hut. Lucas Plumbing reran the septic line. Improvements from 2019-now include new pump-out station, new whalers and rub rail, new electrical in 2020, new overflow alarm system, new TLS Fuel system. Lucas Plumbing was a little over \$1,300. Mr. Mullins asked about the shackle on the gas dock being replaced three times and what is being done differently. Mr. Santa said they took one of the concrete anchors and put it on the most southern part to level it out and shifted the anchors closer to the street to push in. Now there is less strain on the shackle so it won't snap. Mr. Mullins asked if the gas dock is fully staffed? Mr. Santa said it is fully staffed on Friday, Saturday and Sunday. Monday-Thursday is call ahead by about 15 minutes. Mr. Zellers asked about the budget being \$20,000 and this coming in over that. Mr. Santa said there were expenses they couldn't account for but the NGW quote was about \$20,000. Mr. Zgonc asked about the occupancy. Mr. Santa said they decommissioned Dock I and part of Dock H. They're at an occupancy of 76% of the usable slips. They're up to dock number nine this season of ones that have broken off. Ms. Kiraly asked how long this fuel dock repair is expected to last? Mr. Santa said roughly 3-5 years. He said they want to get a new fuel shed in the future, too. Mr. Zgonc asked if the damage and broken docks was due to the wave action? Mr. Santa said yes. The further out or closer you get to the Lighthouse, the rougher the docks get treated.

2. Brewfest Report: Mrs. McClelland said the previous BrewFest committee came in earlier this year asking for flexibility from us as they got things in order for their event. In May, they said they wouldn't be able to pull it off. That would have put a noticeable hole in our calendar. Mrs. McClelland said it had become a staple event here. She and Mr. Tom Brown put their heads together to still have a similar event that day. Ultimately, they were able to connect with a well-established Beerfest group. Mrs. McClelland said we asked if they'd be willing to do an event here. They do events in Cleveland,

Pittsburg and Cincinnati. They're called Festivals Unlimited, they love the idea and have committed to Saturday, August 10. Tickets are for sale now. They're asking this year for us to partner with them and offer a sponsorship in the amount of the site rental. They intend to come back for years to come. We want to establish a good relationship with them and are looking for board support. Mr. Mullins asked what they're responsible for. Mrs. McClelland said they would pay a deposit to cover any damages. Mr. Zgonc asked how many vendors will participate? Mrs. McClelland said they've gotten good feedback, but they don't have a number quite yet. Their focus is to try to get every Lorain County brewery. They normally have cocktails, mocktails, etc. as well but they committed with six weeks to plan. They're going to make it the best they can with the time they have. Ms. Kiraly asked if there would be food vendors? Mrs. McClelland said absolutely. Ms. Kiraly asked about the entry and how that would go? She remembered issues in the past. Mrs. McClelland said that would be restructured to run smoothly. Mr. Mullins said this group has a following. Mrs. Silva Arredondo asked about the price of tickets? Mrs. McClelland said it varies, and there are parking passes too. Early admission is \$45 for now or \$55 at the gate. Regular admission is \$35 now or \$45 at the gate. Designated driver tickets are \$20. VIP early admission parking is \$15. Ms. Kiraly asked how we're managing the transition? Mrs. McClelland said we've handled that. We reached out to the original committee and they said they would be unable to do it moving forward and were happy to help with the transition. As much as it hurt, they loved what they built here but they respected that it needed to go to professionals. Everyone on the committee was a volunteer. Ms. Kiraly said in previous Brewfest's there were some merchandise sales that weren't followed through on. Mrs. McClelland said we aren't responsible for that and the new group has nothing to do with it. We unfortunately can't help with that. Mrs. Silva Arredondo asked how long the original lasted? Mrs. McClelland said it would have been the 10th year, they had nine successful events. Mr. Zellers said now is the time to negotiate. What happens the next year or the year after? Maybe we can try to lock them

into a longer period of time or how can we share in the success? Mrs. McClelland said they've talked about all of that. We're just trying to get them in the door this year to make the event happen. That can be negotiated in the future. Mr. Zgonc moved to waive the \$1,400 fee for this year and then negotiate a contract with fees to pay back the original price break over time. Second by Mr. Veard. Motion carried.

3. August 3 Twist on Taylor: Mrs. McClelland said this is the show we're doing in conjunction with Falls River Concerts. The opener is Boy Band Review. It's going to be a great night. Buy tickets and tell everyone. Five and under are free. All others are \$15 in advance or \$20 the day of the show. VIP and Season passes cover entry.

VI. Report of Committees

A. Contract Management Committee

1. Mr. Zellers said bids came in for the stage project on 6/27. The architects are working through and calling subcontractors for clarification. Preliminary numbers show the budget should hold. He thanked the mayor and city for the help with the permits. Meeting tomorrow with the construction manager. What the scope of work might look like. Guaranteed maximum price should be in by July 22. Today was a positive day.

B. Strategic Development Plan Committee

1. Mr. Zgonc said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Scott said he talked with a few business owners in Downtown Lorain. They're wondering if we can coordinate the effort to try to bring more business to town before the concerts.

D. Financial Planning and Audit Committee

1. Temporary Budget Appropriations for 2025: Mrs. Smith said she had a budget hearing tonight and before you is the temporary budget for 2025. It is due to the county auditors on July 20. We will make the adjustments to actual figures before the end of the year or beginning of 2025.

Mr. Mullins presented:

A RESOLUTION TO APPROVE THE 2025 ANNUAL BUDGET OF ESTIMATED REVENUES AND EXPENDITURES FOR THE LORAIN PORT AUTHORITY.

Mr. Zellers moved to approve Resolution No. 2024-16. Second by Mr. Veard. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

2. June 2024 Financial Statement: Ms. Bonilla said she met with Mrs. Smith and went over the financials. She deferred to Mrs. Smith. Mrs. Smith said she and Ms. Bonilla did a min review of receipts and the bank reconciliation. She opened the floor to questions. Mr. Scott moved to approve. Second by Mrs. Silva Arredondo. Motion carried.
3. 2022-23 Audit: Mrs. Smith said the 2022-23 audit started last week. We do it digitally through OneDrive. It makes it very efficient and easy. Board members may be getting an email soon from the auditors.
4. Budget Amendment: Ms. Bonilla said this is for the gas dock and people counter. She deferred to Mrs. Smith. Mrs. Smith said the people counter is \$3,740. Firelands Electric still needs to invoice, too. She said we may want to bump that to \$27,000 instead of \$25,000. Mr. Mullins said he thinks it should be \$30,000 to be safe. Mr. Zellers asked what the people counter is for? Mr. Mullins said the concerts. Mr. Zellers asked if it was for the Port? Mrs. McClelland said yes, it's for future events at Black River Landing.

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 2024-17. Second by Mr. Veard. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

E. Bylaws and Personnel Committee

1. Mrs. Silva Arredondo said she had no report but plans to convene the committee in September to review the port's policies and procedures.

VII. Other Business

- A. Port Tent Dates July 12 and August 2:** Mr. Mullins said volunteers sit at the tent during the first band. We pass out promotional items, share information about the Port and answer questions.

VIII. Public Comment

- A.** Mrs. Beth Henley said she is the first ward councilwoman. She is here to observe.
- B.** Joanne Zelina said she is Mrs. Henley's tag-along and is here to learn more.
- C.** Eilene Torres said she is with the Hispanic Fund and Community Foundation. She is also involved with the strategic plan for Lorain County so she's trying to learn the ins and outs of Lorain.
- D.** Mr. Jack Bradley introduced himself as the mayor of Lorain and said he had some comments. He said he appreciates the members serving on the board and he certainly doesn't think they should have to finance the project. He said if board members feel it in their heart to donate they can but he didn't put them on the board to put them under any kind of pressure to donate to the stage project. Mr. Zgonc joked that, "You set us up Mr. Mayor." Mr. Bradley replied, "They're probably going to ask me, too, just so you know." He said he sees Lorain County Commissioner Jeff Riddell was brought in to talk to him. He said he met with Mr. Riddell this morning. Mr. Bradley said Mr. Riddell indicated that he thought the project was going to be about \$3-5 million. "The commitment was made by the county commissioners before Jeff became a county commissioner," Mr. Bradley said. He continued and said Mr. Riddell said he liked the way the City of Lorain handled the racetrack project. "In other words, the racetrack puts their money in first and then the money from the county and city went in last," Mr. Bradley said. "He was kind of upset the check was given to the port already from the county." Mr. Bradley said he went to City Council and it approved the ARPA funds for the Port but also put the distribution of the funds under the mayor's office. "I have Mr. Rey Carrion who's going to be in charge of making sure that those funds are distributed in a similar manner to the manner that they were given to the race track," he said. "In other words, we're not just going to cut a check. We're going

to expect this board to meet its obligations and we're going to need some information." Mr. Bradley said Mr. Carrion is going to ask for some information. He said he's not even sure how much the project is going to cost now. "Is it \$9 million dollars? Is it \$10 million dollars? Is that for phase one and phase two? Is the total project \$20 million dollars?" Mr. Bradley continued and said he had it confirmed by Mr. Tom Brown that already \$900,000 has been committed to the architect. "That's a lot of money," he said. "So, we're a little bit concerned about that, and I think that as a board I would certainly hope that you would ask questions about these expenses because I think that's important." Mr. Bradley said there is also an ordinance that council passed that has to be complied with and he wanted to remind the board of what some of those requirements are. He said the port authority shall submit for the review of council the annual budget for the operations and administration of the Lorain Port Authority. "I don't know if that's been done or not but it needs to be done," Mr. Bradley said. "And certainly, Rey wants that information, too, as he makes his determination or doing his due diligence before we distribute nearly \$1 million dollars." He said the Lorain Port Authority shall submit for review of council the annual budget for the proceeds of all levies and all other sources of revenue, including but not limited to the five-year, 1 mil Lorain Port Authority levy. "C. Lorain Port Authority shall continue to submit monthly financial statements as approved by the board for council perusal," Mr. Bradley said. "So, every month council should be expecting that information and if not I think this board should ask why it's not being presented." Mr. Zgonc asked if that meant the financials would need to be sent to each council member. Mr. Bradley said he thinks it could be submitted through the clerk of council and then she would distribute it to the council members. Mr. Mullins said that is being done electronically and has been for years. Mr. Brosky agreed. Mr. Bradley said he is just listing all of the things that need to be done. "I'm not sure that all the things are being done," he said. Mr. Mullins said he knows the annual and monthly financials are being done. Mr. Zgonc asked the mayor to identify which responsibilities he felt the Port didn't know about. Mr. Bradley said, "You tell me which ones you don't know about. It's the law. It's

chapter 143.” Mr. Zgonc said he thinks the staff certainly knows what’s on that list. Mr. Bradley said he thinks the board needs to know what’s on this list, and he thinks the board needs to make sure it’s being complied with unless council wants to change it and that is their prerogative. He then continued reading the ordinance, section D, which says the Lorain Port Authority shall submit to council all proposed annual or contractual expenditures exceeding \$25,000. The legislative authority shall review said submittals within two weeks of receipt. In the event the legislative authority determines such expenditures warrant public debate, then the matter would be forwarded to the appropriate committee of council as expeditiously as possible. The recommendation of the committee shall then be submitted to the Lorain Port Authority as a non-binding recommendation. The Lorain Port Authority is urged to take into consideration the recommendation of the legislative authority, however, as statutorily provided the final determination with respect to said expenditure or expenditures shall be within the control of the Lorain Port Authority. “So tonight, you approved an expenditure of \$30,000 dollars,” Mr. Bradley said. “That expenditure has to be submitted to council for their perusal and if they determine that it needs some kind of a committee hearing then they have to ask for a committee hearing.” Mr. Mullins said for a recommendation. Mr. Bradley said yes, for a recommendation. Mrs. McClelland said just to be clear we did not approve a \$30,000 expenditure. We approved a \$30,000 budget amendment tonight. Mr. Bradley said, “I think you’re going to expend \$30,000.” Mrs. McClelland said we are not over \$25,000. Those expenditures are under \$25,000 and it already came to the board for approval. Mr. Bradley said, “Well okay, so whatever, if it’s over \$25,000 you need to get it submitted to council.” Mr. Mullins said to be clear we have to wait for you to get back to us with a recommendation? Mr. Bradley said, “You don’t have to wait for me for anything. You have to follow the law that council passed.” Mr. Mullins said he’s just asking if we would have to wait for council to come back with a recommendation? Mr. Bradley said yes. Mr. Mullins said even though we may end up doing what we want anyway? Mr. Bradley said yes. “That’s the law that council passed,” Mr. Bradley continued. “I know you don’t like it, Tiffany, you’re

shaking your head but that is what council did pass.” He then went on reading section E of the ordinance which states prior to the adoption of, amendment to or modification of any development plan, lease of property or official plan as defined in Ohio Revised Code 4582.32, the Lorain Port Authority shall submit the proposed plan, lease, or official plan or amendments or modification thereto to council which shall review within two weeks of receipt. In the event the legislative authority determines said plan, including the official plan or lease or amendment or modification thereto warrants public debate, then in such event the matter will be referred to the appropriate committee of council as expeditiously as possible. A recommendation of said committee, assuming adoption by the legislative authority, shall be submitted to the Lorain Port Authority as a non-binding recommendation. The Lorain Port Authority is urged to consider the recommendation of the legislative authority, however, as statutorily provided the final determination with respect to said plan, including the official plan, lease or amendment or modification thereto, shall be within the control of the Lorain Port Authority. “So, if you want to lease the property to Brewfest, you’ve got to present it to council,” Mr. Bradley said. Mrs. McClelland said with all due respect, Mayor, that’s not the chapter of Ohio Revised Code it’s referencing. She said if you look at the section of Ohio Revised Code, it’s specifically in regard to port infrastructure. If we’d like to build a port terminal then absolutely we would present it to council. Mr. Bradley said we’ll get an interpretation from our lawyer and you can get an interpretation from your lawyer and we’ll see which interpretation our legislative advisor gives us. Mrs. McClelland said absolutely. Mr. Bradley said, “This is the law of our city council.” Mr. Zgonc asked the mayor when he became aware of the ordinance? Mr. Bradley said two or three weeks ago. Mr. Zgonc then asked how long Mr. Bradley had been mayor? Mr. Bradley said no one knew about this. “How long have you guys known about it?” Mr. Bradley asked. Mr. Zgonc said he’s known about the ordinance. Mr. Bradley said, “And you haven’t complied with it?” Mr. Brosky said he not aware of the port not complying with anything. “I believe the port has complied with all of it just so we’re clear,” he said. Mr. Zgonc said he was appointed by Mayor Olejko, Mayor

Chase Ritenauer and Mr. Bradley. He asked how far back the mayor wanted to go? Mr. Bradley said the legislation was adopted on 9/21 of 1990. "I don't know how many other members of the port authority know about this," he said. Mr. Zellers said he think all board members know about the ordinance. He said we all attended the council committee meeting three weeks ago and we went over this at that time. Mr. Zellers said his understanding in the committee meeting, all the committee members praised what the port was doing and felt we complied. "The long and the short if it is if we were to wait and get council approval or council recommendations about this, the majority of what we do can't wait that long." He didn't think that was the idea behind the port authority. Mr. Bradley said, "Well then maybe somebody should have gone to council and said, 'we need to change the law that was passed in 1990' because the law has to be followed, and that's my job is to make sure that if council passes an ordinance that it's followed. That's all. Again, I mean especially if we're going to be making a \$9 million dollar expenditure. I think that that's something that needs to be presented to council. I think they need to know if a certain amount of money is going to be expended for an architect that council needs to know that. I mean I was always told that council is spending the tax payers' money and they shouldn't be kept in the dark as to how that taxpayers' money is being spent. So, I don't care if you've been on the port for 20 years or you've been on the port for a month, you need to comply with the statute and if it's being complied with then that's fine and dandy. And then Rey Carrion who's going to oversee the \$995,000 dollars that's going to be given to the port, the port will say that those things have bene complied with. Now your attorney says that's been complied with it, so I guess that information then Rey can request it from the clerk of council and then we know that it's been complied with. If it hasn't been complied with, well then Rey can ask that it be complied with. But that's what we have to do if we're going to spend \$995,000 of taxpayers' money. Especially when it was represented to me that the project was going to be between \$3-to-5 million dollars. And that's why we had oversight with this racetrack, so that we put our money in last. Now here we are, a few months before October, and we're still trying to raise \$3 million dollars for a project that

was proposed two years ago. I don't understand why we're trying to raise \$3 million dollars for a project that was proposed two years ago." Mr. Mullins said there are a lot of processes involved in trying to raise money. "Someone's not going to write you a \$5 million dollar check," he said. "We've got money into it, we're trying to get bonded for it." Mr. Mullins said he's done construction projects in the past and is currently working on a \$4 million dollar construction project and it's taken two and a half years. And the architectural costs are 10-12% of the total cost, which is right in line with what we're trying to budget. "So, I don't think we're out of line and I don't think we're trying to hide anything," Mr. Mullins said. "If you didn't know about it, maybe we didn't know all about it, we'll comply with it. We've got nothing to hide." Mr. Bradley said, "I'm not saying you were trying to hide anything I'm just trying to tell you, you need to comply." Mr. Mullins said it's going to hamper a lot of what we do at the speed of business. "We're trying to be successful," he said. "Is there an issue with the money? You don't want us to have the money? Do you want to take the money back?" Mr. Bradley replied, "I'm the one who offered the money. I'm the one who talked to the commissioners to appropriate the money for this project which I was told was a \$3-to-5 million dollar project." Mr. Zellers said he's been involved with this project from the very beginning. At no time has he ever heard \$3-to-5 million dollars. Mr. Bradley said Mr. Zellers wasn't in the room with he and Mr. Matt Lundy when they were told the project would be \$3-to-5 million. Mrs. Silva Arredondo asked Mr. Bradley who told him that amount? Mr. Bradley said Mr. Tom Brown. "Matt Lundy was in this room with me when we were asked if we would give money towards this project." Mr. Zellers asked if Mr. Bradley knew at the time it would be \$9 or \$10 million would that have changed his mind? Mr. Bradley said that is not his decision. "It's council's decision and I would like to give accurate information to council as to what we're committing in funding to this project. And I'm sure Matt Lundy wanted to be able to communicate accurate information to the other two members of the commission in making a recommendation o give that money. That's all. We should be giving accurate information." Mr. Mullins said we've talked with council members and Mr. Bradley has been in meetings about the project. The cost of

products have gone up 20-30% since we initially had the conversation. "When you're buying raw materials you don't buy them then, you have to wait until you're ready to use them so that's a lot of where our costs have gone up in the total theme of what we're trying to do," Mr. Mullins explained. Mrs. McClelland said she doesn't think there is a person on this board who wanted this project to be this expensive, it's just the reality of what happened and we're either going to do this project and make something great for Lorain or we can balk at the cost and do nothing and she just doesn't think that's an option. Mr. Bradley said: or maybe we could rethink the project and get it within a budget that makes sense. "You have a successful program here called Rockin' on the River," he said. "Now I met with Bob Earley and I asked Bob Earley I said, 'Bob why are you retiring? You're making a lot of money. Why would you want to retire?' And he says, 'well, quite frankly, no body asked me if I wanted to renew my lease.'" Mr. Mullins said that is absolutely not true. He has had at least 10 conversations with Bob personally about that topic. Mr. Bradley said he asked Bob if we would renew his lease and pay what he's paying now, which is \$12,000 for the whole season, or pay 10% of your net profit and he said he would do that. "So, I don't know if anybody's had that conversation with Bob Earley or if the board has talked with Bob Earley about renewing his lease but I think that Bob Early would renew his lease under those terms. 10 percent of his net profit. Mr. Scott asked Mr. Bradley when he had that conversation with Mr. Earley. Mr. Bradley said last week. Mr. Mullins said that is amazing because Mr. Earley has gave us an offer. Mr. Bradley said, "He told me about that. I asked him (Bob) today if he would come to the meeting and he said his attorney, he was very insulted that he received a 26-page document to sell his interest and he asked if his attorney could send a more reasonable document." Mr. Mullins said he's not laughing at Mr. Bradley, he's laughing because Mr. Earley just sent us a document that was 30 pages. "This is the part where we look like idiots because he tells you one thing and he tells somebody else another thing," Mr. Mullins said. "We wanted him to stay. This is not something we had to adopt. He said 'I'm done, I am done.' We've asked and talked to him, how do we work this out so you can be a part of it. How do we

work this out so you can stay? 'I'm done, I'm retired, I'm too old to do this stuff.' Mr. Bradley said, "I'm just telling you he would stay and he would then help to create someone who could take this particular thing over and have a nice transition. A nice smooth transition. I think I had talked to the board a couple years ago and said it was time to do some succession planning to make sure that there was going to be a smooth transition when Bob Earley decided to retire. All of a sudden, 'Jack Bradley want to disband the port, Jack Bradley wants to get rid of Rockin' on the River.' Number one I don't want to get rid of the port and number two I don't want Rockin' on the River to leave. I'm going to do everything in my power to make sure Rockin' non the River doesn't leave. But I think that Bob Earley needs to be at one of your meetings and that you call an executive session and you have Bob Earley in the room, you have me in the room and whoever else you want in the rom and we talk about this and see how we can get the true facts. Get the true facts." Mr. Mullis said I am floored. "I can't believe that just happened," he said. Mr. Bradley said "Well, I just made it up." Mr. Mullins said, "No you didn't." Mr. Bradley said I'm telling you I've met with Bob Earley. Mr. Mullins said and so have I. "Two or three years ago when you said this, I had dinner with him (Bob) in Downtown Cleveland and we talked about the succession plan and he was adamant about 'I am done. I want one year, maybe two years. I said Bob stay as long as you like.'" Mr. Bradley said I would hope that conversation happened with the whole board. Mr. Mullins said Mr. Earley asked to meet with him at the time. Mr. Bradley said, "So was Bob Earley brought in and talked about succession planning since he was going to leave in two or three years? I think that's the time when that conversation should have been had. How are we going to make this transition to make sure that we continue to have Rockin' on the River?" Mr. Mullins said it has been a topic at numerous board meetings, both in and out of executive session, "so it's not like we're just sitting on our hands waiting for something to happen. We've done this. We've been doing this for three years." Mr. Bradley said well the first time we heard about Bob Earley retiring was a few months ago. Mr. Mullins said that's because he went public with it. Mrs. McClelland said that was the plan. Mr. Bradley said, "Oh,

that was the plan. So just like drop it on us so that everybody hears 'Bob Earley is retiring.' Mr. Mullins told Mr. Bradley he knew about Mr. Earley retiring years ago, too. He said Mr. Earley said he talked about it with Mr. Bradley. Mr. Bradley said the only conversation he had with Mr. Earley was that he loves Rockin' on the River and he loves to come down here. "But let's bring Bob Earley in, have an executive session and let's discuss it and let all the board members hear the discussions and make sure that we don't first of all build something that, you know, Jeff Riddell said to me this morning when I had my meeting with him. He said, 'You know when I took over my dad's business I was going to buy a few concrete mixers' and his dad said 'hey, is that going to bring in more money?' and Jeff said 'well I don't know if it will or not, and he (Jeff's dad) says 'well we don't buy equipment if we don't know it's going to increase the money that we're going to bring into the business.' So my question is, same thing Jeff Ridell said to me, he says 'is this project going to bring more money into the port' because if you can't answer that question 'yes,' then we better rethink spending \$9 million dollars on phase one and phase two." Mr. Zellers said number one, he thinks that question right there, does it bring more money into the port, he thinks the board thinks that it will but we're not doing it for that reason. "We're doing it, we're meeting all these different people for the City of Lorain because we believe that something has started here, something has already been created over the last couple of years and will make Lorain a better spot. As you said, you appointed everyone or you reappointed them and so maybe you didn't make the right decision then if you don't like the way we're handling things." Mr. Bradley said he did make the right decision, he just wants a board that is going to ask questions. Mr. Mullins said we have two or three bands who aren't coming back to Lorain because we don't have the facilities, we don't have the technology they need. Mr. Bradley said that's not true. Mr. Mullins said it is! Mr. Bradley said Bob Earley will tell us in executive session that isn't true. He said Mr. Mullins is talking about *Wish You Were Here*. Mr. Mullins said no, he's talking about national acts. Especially with everything going on with Ticketmaster, that would open up a whole new opportunity for bigger acts in addition to Rockin' on the River. "We're

trying to utilize the stage more,” Mr. Mullins said. Mr. Bradley said, “You know what, you’re lucky that people in Lorain are paying \$10 dollars. It went from \$5 to \$7 to \$10. We’re handling that. I was here for the International Festival. They brought in tribute bands. You had 250 people in front of the stage. They paid \$3 bucks. Bob Earley has a formula and it works. So, if you say, ‘oh if you bring in a band it’s going to bring in big crowds,’ I’m not convinced of that because I’ve seen at the International Festival where they brought in a top Motown group and they had 250 people sitting in front of the stage for \$3 bucks and their beer sales were terrible.” Mr. Mullins said that’s because it’s the International Festival, people are there to eat. Mr. Bradley said they brought in a tribute rock and roll band, so explain why there were only 250 people for \$3 bucks. Mr. Mullins said because it’s the International Festival, people aren’t coming for a concert they’re coming to eat food. “People come here because they want to see a concert,” said Mr. Mullins. “We’re trying to utilize the stage more so that we’re more diversified not just with classic rock but with other bands, other music genres, that we can bring in an utilize that stage more days during the week.” Mr. Bradley said we’re spending \$995,000 and giving it to the port to do a stage project I’m going to challenge you. “I want you to think these things through,” he said. “I want you to be challenged.” Mr. Zellers said great, we have. “What do you think we’ve been doing for two years on this thing?” Mr. Zellers asked. “I don’t know,” replied Mr. Bradley. “I’m just challenging you to make sure.” Mr. Zellers said he would love the opportunity to sit down and go over dollar by dollar. Mr. Bradley asked, “How much did Bob Earley gross last year from Rockin’ on the River? Anybody have any idea?” Mr. Zgonc asked, “What’s it matter?” Mr. Zellers said, “Yeah, what does that have to do with this?” Mr. Bradley then asked, “How much did you make from Rockin’ on the River last year?” Mr. Zgonc repeated, “What does it matter?” Mr. Bradley said, “I think it matters. You want to build a \$9 million dollar stage.” Mr. Mullin said, “Do you think Bob Earley is going to tell you?” Mr. Bradley said “Oh, I think so.” Mr. Mullins said he didn’t think so and asked, “What about all the cash he gets?” Mr. Bradley said, “I know.” Mr. Mullins asked if Mr. Bradley would put a real number on that? Mr. Bradley said he would put a number on it:

\$1.3 million. Mr. Mullins said that was his revenue. Mrs. McClelland said she thinks this is really inappropriate for a public meeting and Mr. Mullins agreed. “We should not be talking about people’s private business information,” she said. Mr. Bradley said, “I was just asked the question.” Mr. Mullins said Mr. Bradley was who brought up the questions. Mrs. McClelland said she understood and asked the Mayor if he had any other comments to please wrap up as we were moving on. Mr. Bradley said he asked for an executive session and he thinks that we should have one. “But I think the public needs to know that I’m going to fight to make sure that this is a successful project and number two that we don’t lose Rockin’ on the River,” he said.

- E. Mr. Scott asked after they meet with the architects and contractors, will there be a board meeting prior to the final decision on what we’re going to do? Mr. Zellers said yes, there will need to be a special call. But that was also before Mr. Badley made his statements tonight. Mr. Zellers said if we have to get council involved and everything else, who knows how long that might take. He said there are much bigger issues that the mayor brought up tonight than the financing and/or cost of the project. He said he’s not sure how we get through that at this point but he would love to talk to Mr. Carrion.

IX. Adjournment

- A. There being no further business to come before the board, Mr. Zellers moved to adjourn. Mr. Scott seconded. The meeting adjourned at 7:17 p.m.

Brad Mullins, Chairman

Tiffany McClelland, Assistant Director