

Lorain Port and Finance Authority

Board of Directors

Regular Meeting

Port Office

Tuesday, April 15, 2025, at 6:00 p.m.

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

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

Guests: None

I. Roll Call

A. The meeting was called to order at 6:02 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Disposition of Meeting Minutes

A. February 14, 2023, Regular Board Meeting Minutes: Mrs. Leyva Smith explained she was reviewing past meeting minutes and realized she incorrectly recorded that Mrs. Kiraly seconded a motion she actually abstained from. It was Ms. Bonilla who seconded the motion. Mrs. Leyva Smith also added in a line about Mrs. Kiraly abstaining due to the appearance of a conflict of interest. Mr. Zellers moved to approve. Second by Mrs. Kiraly. Motion carried.

B. March 11, 2025, Regular Board Meeting Minutes: Mr. Veard moved to approve the meeting minutes. Second by Mrs. Silva Arredondo. Motion carried.

IV. Report of Officers

A. Chairman

1. Board Elections: Mrs. McClelland said tonight the board will have elections for chair and vice chair. She opened floor for chair nominations. Mr. Scott

nominated Mr. Mullins. With no other nominations, the board members voted unanimously to appoint Mr. Mullins for another year as chairman of the board. Mrs. McClelland moved on to vice chair and opened the floor for nominations. Mr. Veard nominated Mr. Zellers for vice chair. With no other nominations, the board unanimously voted to appoint Mr. Zellers as vice chair.

2. Correspondence received:

a. None.

B. Executive Director Report

1. Mrs. McClelland said it has been an exciting last couple of weeks. We had the honor of hosting the new CEO of Team NEO Matt Dolan. He spent about an hour and a half with us getting to know the port, our operations, properties and everything we do in conjunction with them. It was a fantastic opportunity to make sure we're on their radar. We also signed onto a letter of support with Team NEO about the NASA headquarters moving to the Cleveland area.
2. Mrs. McClelland said we submitted a \$600,000 grant application to the Nord Family Foundation for the Black River Landing Amphitheater. We should know in June.
3. Mrs. McClelland said at the state level, House Bill 147 is currently working its way through Ohio House. It essentially is suggesting any project over \$25 million automatically get a sales tax exemption offered to it. This would put port authorities at risk of losing a unique power. It really is a very negative bill for the port community. She believes the intention was to make the environment for development easier in Ohio but they would be taking away control from the local communities. We submitted a letter opposing the bill.

C. Operations Director Report

1. Mr. Brown said the BRL Events lineup will be announced Thursday. He is also happy to share there will be a press release on Monday about securing a title sponsor for Rockin' on the River for the next 3 years.

V. Report of Committees

A. Contract Management Committee

1. Police Rate approval: Mr. Brown said historically we've had a great partnership with the Lorain Police Department, who provide security for our events. He met with them in November/December to talk about the partnership moving forward. It's going to be very similar to how it was for Rockin' on the River. The pay rates for the 2025 season will be the same as 2024. We wanted to clarify that those rates are for all Port events at Black River Landing. It will be \$50/hr. for regular officers and \$55/hr. for supervisors. Mr. Brown said it's worth every penny. We haven't had issues in a decade. He thinks we have a good crew of officers who enjoy working down here. Mr. Zellers asked if we pay the city or the officers? Mr. Brown said we pay the officers directly. They'll be independent contractors. They will receive a 1099 at the end of the year. It's the same relationship as we have with the boat captains. Mr. Mullins asked if anyone would be added to payroll? Mr. Brown said it's basically all independent contractors, and he's working on a contract with Oasis Marinas for the dock. Mr. Zellers moved to approve. Second by Mr. Veard. Motion carried.
2. Somers Insurance Coverage Amendment: Mrs. McClelland said the documents didn't come in time, but we will have them next month for approval. Last May, we signed a 3-year contract for insurance. Because we acquired the concert series, are hosting events, have independent contractors who will be handling cash and a liquor license, changes need to be made. She said we're estimating our insurance will increase by roughly \$25,000. We need crime coverage, which adds about \$200 to the policy. We also need event and liquor insurance. We're estimating event insurance to be about \$13,000 and liquor liability insurance will be roughly \$12,000. When we get rates back we will confirm the amount. We asked Somers Insurance to quote it in multiple fashions. We were hoping to have the numbers for a more in-depth discussion but it didn't happen. Mrs. Silva Arredondo asked what we pay currently. Mrs. McClelland said \$52,000. Mrs. Smith said it might be a little less than that. Mr. Veard asked if the increase would be part of the stage. Mr. Mullins said we're reviewing liquor sales to determine if it's worth it. Mr.

Brown said we bought the asset, and that will allow us to get substantial revenues. We weren't sure what the cost would be exactly, but these expenses were to be expected. Mrs. McClelland agreed these are not unknown expenses. It's just a matter of the actual cost. Mr. Zellers asked if the liquor permit stayed with Mr. Bob Earley. Mrs. McClelland said the liquor permit is through the port authority now, specifically Mr. Brown. Mr. Brown said previously, ROTR and every event at BRL had done a temporary F2 permit. As we add events, we're taking a leap of faith that people would perform correctly and juggling paperwork, obtaining police approval. We paused our liquor license application in 2023 when we paused the stage project. Recently, we changed the address on the application to 421 Black River Lane, the Train Station. We have a food license inspection completed. We did updates to Train Station. We passed liquor inspection yesterday. We'll file for an expansion of our permit area, which will encompass the F2 permit we had previously. The issue we're dealing with now is we are considered a dry zone so we got a rebate for our Sunday liquor sales application. On Sundays, we'll get an F2 permit as needed. We can excuse our liquor permit as needed. International Festival, for example, will be using an F2 permit. Mr. Scott said Somers is the agency, what is the actual insurance company? Mrs. Smith said we currently have about three and Cincinnati is one of them. Mrs. McClelland said for the event insurance, Somers is quoting the agency that did it for ROTR because they're one of the only agencies that cover multiple events, but Somers is quoting multiple insurance companies. Mr. Brown said Westbend is the leading agency. They specialize in event insurance. Mr. Scott asked if we didn't use Somers, how would we obtain event insurance. Mrs. Smith said you have to use an insurance broker for them to shop it. Mrs. McClelland said after 2026, we can shop a different insurance broker if desired. Mr. Scott asked about the benefit of the three-year agreement. Mr. Brown said it locked in the rates. He said we saved a lot when the police department took over the Marine Patrol. Mr. Scott suggested looking 6 months ahead of the renewal date to look at all options and aren't rushed. Mr.

Mullins said when you're locked in, no one else will bid. You have an agent of record, and they're the only ones allowed to request quotes for you. Mrs. McClelland said we've been with Somers 5-6 years, and they are acting as a good agent for us.

3. Sound contract: Mr. Brown said sound is crucial for a concert series. If we were to buy the equipment, we would still have to have someone install and operate it. This is where you lean on the experts. As you can see in the three quotes, there is an outlier. The middle of the road is Vertical Sound, who has been here the last 8 seasons. The third quote is much lower. He compared it to the lawn maintenance contract. It's a hungry guy who wants the contract . He does the sound for the Palace, but he doesn't have the equipment and would need to buy or lease it. Mr. Brown said we can't have any hiccups and you get what you pay for. At the last show last season, a technician mis-wired and blew 3 amps. A sound guy walks in and says, "no show, we're cancelling." The co-owners of Vertical Sound drove here, brought new amps and rewired the setup. That's the service model Mr. Brown wants in place. He's happy with them. It's a large number but there's no way around it. We do not want to buy the equipment. Mr. Zellers asked how this translates into the design for the new stage. Mr. Brown said architects have talked to Vertical Sound and other companies about designing rigging and power. During the winter, we'll want to vet different companies and lock a maximum price for three seasons. The more we can streamline the setup the better. We might have a new setup for the fly speakers in the front to save costs and are hoping to curb labor with back-to-back shows.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HER DESIGNEE TO ENTER INTO AN AGREEMENT WITH VERTICAL SOUND FOR THE PURPOSES OF SOUND AND LIGHTS PRODUCTION SERVICES FOR THE 2025 CONCERT AND EVENT SEASON IN AN AMOUNT NOT TO EXCEED \$225,000.00.

Mr. Zellers moved to approve. Second by Mr. Veard. Roll call vote as follows:

Ayes: 9

Nays: 0

Abstain: 0

Resolution Passed

4. Whiting-Turner Change Order: Mr. Zellers said they had a good meeting with Whiting-Turner and the architects about two weeks ago. When we paused the project last summer, Whiting-Turner requested a change order for an additional \$41,000. We pushed back and they believe it's justified. In addition to that, they have to get new pricing put together. We gave them a number of different alternates. For that, it would be \$97,000, so just the preconstruction price is \$139,000. Mr. Zellers thinks it's somewhat reasonable and wants board approval of change order number two. Mr. Zgonc asked about the greenroom. Mr. Zellers said we know today we can do the stage. But we're not going to be able to do the greenroom so we want at least have the shell. It will take more philanthropic dollars coming in to complete the greenroom. The fundraising committee is working on that. From public's perception it's there, but the greenroom wouldn't be usable. It would save us about \$1 million to do that. Mrs. McClelland said we have a limited number of dollars, but we want to build as much as possible with what we have. Mr. Zellers said a lot of power will be brought in through the greenroom. Mr. Zgonc said in terms of the stage will that be the same? Mr. Zellers said today, it is the same. GMP is guaranteed maximum price. We took the price we had last year and added 3%. We're really not sure what the tariff issue will be, so we put another 7% on top of that and felt that would be the best guess today. Mrs. McClelland said approving the change order will release Whiting-Turner to get the new GMP. Mr. Zellers said they will bid everything, just like they did before. Mr. Scott said while the project is being built, is our insurance covering it or is it under the GMP. Mrs. McClelland said during construction, it's under the construction company. When it's complete, it comes to us. Mr. Zgonc asked if there were any other red flags. Mr. Zellers said there might be, but we haven't seen them yet. There is a commitment to making this happen.

Mr. Mullins presented:

**A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HER DESIGNEE
TO ENTER INTO AN AGREEMENT WITH THE WHITING-TURNER CONTRACTING**

COMPANY FOR CONSTRUCTION MANAGER SERVICES RELATIVE TO THE BLACK RIVER LANDING AMPHITHEATER AND FESTIVAL VENUE PROJECT.

Mr. Zgonc moved to approve. Second by Mrs. Silva Arredondo. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

5. Mr. Zellers said Mr. Ben Norton was involved in groundbreaking of the Girl Scouts' facility and Ford Motor Company was part of that. Mr. Norton reached out to someone at the Ford Foundation and they are very interested in hearing our stage presentation. We're hoping to get a donation. Mr. Norton was extremely excited about it.

B. Strategic Development Plan Committee

1. Liquor Sales Discussion: Mr. Brown said we filled out a questionnaire and had a good discussion with our insurance broker Mr. Dan Kelley. ROTR started with just beer and they added liquor in the third season. Mr. Brown is thinking ahead to 2026. Maybe in 2026 as the site changes, we change how we operate. Mr. Bob Earley disagreed. If the insurance broker comes back and says insurance would be astronomical, he thinks we could find some alternatives. He thinks customers would get used to new offerings. We may have to branch out and get a couple different partnerships. We'll know more after this season. Liquor sales are dropping all over, 10-15%. Progressive Field is noticing the same thing.
2. November Ballot - Sunday Alcohol Sales: Mr. Brown said when we applied in 2023 it was under 319 Black River Lane. The reason it didn't get caught then is because we were in district 1A. Now we're in 1B. So, when they did a forensic analysis when we changed the address to 421, they determined we were in a dry zone, which means no Sunday sales. We got a rebate for our Sunday application. Once we have liquor permit in hand, we can join with Trent's Joint on the River, Sweet Pork Wilson's and the Lorian Harbor Boat Club to get Sunday Sales. It's actually hurting businesses more than it's hurting us. We will be on the November ballot. There should be plenty on the November ballot so it's not too pricey. It's not the end of the world this

season, but we'll want it moving forward. Mr. Zgonc moved to approve Mr. Brown's presentation. Second by Mr. Veard. Motion carried.

C. Marketing and Public Affairs Committee

1. Mr. Scott said he had a conversation with Mrs. McClelland. There are couple of properties we have some opportunities with and we also need to determine what to do with old stage top. Mrs. McClelland said two of our properties are listed on Zoom Prospector for possible development: the south end of BRL and the boat launch facility. They're not moving and have sat on Zoom Prospector for a number of reasons. It doesn't show people what it potentially could be. Ultimately there needs to be discussions on branding, marketing, what we want on these properties and what are the price points. A lot of this is being driven by the opportunity to attend a trade show, and we need to be prepared. We want to be sure we're on the same page and what we want as the end use. Mrs. McClelland has shared drafts with Mr. Scott. Our boat launch is listed at \$75,000 an acre and has been listed for 10 years. There is also the potential to do something with vinyl stage top. We need to make sure it comes down and has a place to go. We need to decide between now and September 15. Mr. Scott said the site tour is May 28. Can the meeting wait until then, or do we need to know before then? Mrs. McClelland said the trade show is May 18. She can update materials. At the very least we can have a preliminary discussion and revisit after the tour. Mr. Scott said he is good with Mrs. McClelland updating materials. Mr. Zgonc asked what trade show it is. Mrs. McClelland said ICSC in Las Vegas. Mr. Mullins said it's a well-attended trade show. The County Commissioners invited us to attend. It's a captive audience and you must be prepared. We need to develop a plan. A booth can be quarter of a million dollars but the payback is pretty substantial. He thinks Mrs. McClelland understands what we're looking for. Mrs. McClelland said she can take the lead for May 18 deadline. After the tour, we can schedule a committee meeting. Mr. Zellers said next meeting date is May 13. Mrs. McClelland said she can share what she puts together at that time.

D. Financial Planning and Audit Committee

1. Amphitheater Bond Issuance: Mrs. McClelland said the moment has finally come. She thanked Hannah, Vassie and Brad for attending commissioners meeting on Friday. The commissioners approved the cooperative agreement for the bond issuance. Multiple documents go along with this. The resolution outlines each one that will be executed. Our board's approval is the final approval needed. The Lorain County Port Authority Board approved it. Commissioners backed it. Mrs. Silva Arredondo asked when we'd get the money. Mrs. McClelland said May. Mr. Mullins asked about payments? Mrs. McClelland said they start in December. Mrs. Kiraly commended Mrs. McClelland on her presentation to the commissioners.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING AND APPROVING THE ACCEPTANCE OF BOND PROCEEDS IN THE FORM OF A LOAN FROM THE LORAIN COUNTY PORT AUTHORITY TO ASSIST IN THE FINANCING OF THE COSTS OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21 OF THE OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX EXEMPTION CERTIFICATE AND AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CERTIFICATE REGARDING TOTAL FINANCED PROPERTY; AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH OTHER RELATED AND NECESSARY AGREEMENTS AND INSTRUMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

Mrs. Kiraly moved to approve. Second by Mr. Zellers. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

2. Open account with Fifth Third Bank: Mr. Brown said ROTR had a relationship with Fifth Third Bank. Our ultimate goal is to become a cash free site like Progressive Field and Cedar Point. We didn't want dramatic changes this

season. ROTR added credit card machines last year and as the season went on there was less and less cash. We want to open a secondary account with Fifth Third due to proximity and the credit card machines we inherited with acquiring ROTR.

Mr. Mullins presented:

A RESOLUTION TO APPROVE THE OPENING OF A CHECKING ACCOUNT AND MERCHANT ACCOUNT AT FIFTH THIRD BANK IN LORAIN, OHIO, WITH FINAL LEGAL APPROVAL.

Mr. Scott moved to approve. Second by Mr. Veard. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

3. March 2025 Financial Report: Ms. Bonilla said she met with Mrs. Smith. Everything looks great. She said Mrs. Smith is completing an audit. Mrs. Smith said she reached out to the auditors to check on the status of the audit and on Friday they sent a list of 20 more receipts they wanted to review. She hopes it will close soon. The monthly financials went out in the board packet. Ms. Bonilla moved to approve the financial report. Second by Mr. Scott. Motion carried.
4. Ms. Bonilla thanked everyone and said it was a pleasure to serve with them. She said she knows the board will continue to do great work. She loves Lorain and believes it will become what we intended it to be in the future. She appreciated her time on the board. Mr. Mullins said the board appreciated Ms. Bonilla's time and is sad to see her go.

E. Bylaws and Personnel Committee

1. Personnel Policy updates: Mrs. McClelland said we've had a lot of conversation about policy changes due to the concert series. We did not have a policy for event cash. We wanted that clearly outlined. We did leave out very specific details. We don't want the dollar figure or location in a public document. This lays the foundation for the cash policy and gives a good idea of how it will operate to ensure that all cash is accounted for, that we have a starting cash balance for events and that cash buyouts per contracts for

events are handled appropriately. There is additional detailed information that will be outlined in an internal document for internal policy purposes between staff so everyone is very clear on policy and procedure moving forward. Mrs. Silva Arredondo moved to approve the update. Second by Mr. Veard. Motion carried.

VI. Other Business

A. Reminder: Property Tour Wednesday, May 28, 2025, from 5-7p

B. Save the Date: Rockin on the River Pour Night Friday, August 1, 2025

C. Water Taxi: Mr. Mullins said we run the Water Taxi every year. It's quite popular at Harbor Walk. Lots of people used it even when restaurant was closed. We've asked Oasis Marinas and Lorain Brewing Company to contribute to help offset the cost. Last year, Lorain Brewing Company gave us a check for \$2,500 thinking they would open and they didn't. The owner Mathias doesn't think he got his value last year and he was agitated by it. They plan to stay open so people have a place to go after the concerts. Mr. Mullins thinks Lorain Brewing Company should get a pass this year. Mrs. McClelland said the sponsorship ask is \$2,500 to balance out the loss from running the Water Taxi for free. Before the taxi, the shuttle boat operation used to break even. When we started the Water Taxi, it's about a \$10,000 negative hit. We started asking people to sponsor for \$2,500 to offset the \$10,000 loss. There are three potential dock locations, but right now we go to two. Trent's isn't an option due to their dockage situation. Oasis Marrinas has already paid. The second location is Lorain Brewing. Ultimately, we will end up losing money. Long term we did talk about potentially starting it for free and moving toward a pay model to recoup some of the costs. In the past, Rockin' on the River would donate. Mr. Scott said he agrees with Mr. Mullins. We don't want to take anything away from Rockin' on the River. We did reach out to others and haven't been successful in securing additional sponsors. Mr. Veard said we can reach back out to LBC halfway through the season. Mr. Simmons said it wasn't our fault they didn't open. He suggested maybe LBC can pay half. Mr. Scott asked if there was room for advertising on the boat. Mrs. McClelland said we didn't want to chase more sponsorships with the other packages we

have out there right now. Mr. Scott asked about Lorenzo's, Speak of the Devil or Scorchers being open to it? Mr. Simmons said he didn't think so. Mr. Brown said we can look into a banner and make a post. It's a shot to try to bring in some dollars. Mrs. McClelland said she would like a motion if the board decides to give LBC a credit. Mr. Zellers said he's fine with the credit. He agreed with reaching out halfway or three quarters of the way through the season to see if they'll give a donation. Mrs. McClelland said it will set us up for a better conversation in 2026. She asked Mrs. Leyva Smith to put a touch base on the calendar. Mr. Scott moved to approve the credit. Second by Mr. Simmons. Motion carried.

- D. Mr. Zgonc asked about the Jet Express. Mrs. McClelland said we're under contract and working on receiving a response. For the most part it's up to them. They've had a lot of transition. Mr. Brosky will likely be getting involved.

VII. Public Comment

- A. None.

VIII. Executive Session: Property Disposition

- A. Mr. Veard moved to enter executive session for the purpose of discussing personnel. Second by Mrs. Silva Arredondo. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Motion Carried

Mr. Scott moved to exit executive session. Second by Mr. Veard. Motion carried.

IX. Adjournment

- A. There being no further business to come before the board, Mr. Scott moved to adjourn. Ms. Bonilla seconded. The meeting adjourned at 7:48 p.m.


Brad Mullins (May 14, 2025 10:58 EDT)

Brad Mullins, Chairman



Tiffany McClelland, Executive Director









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Final Audit Report

2025-05-14

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