

**LORAIN PORT AUTHORITY
Board of Directors
Regular Board Meeting
Tuesday, March 13, 2018**

Board of Directors: Ms. Carr, Mrs. Cook (8:39 a.m.); Messrs. Bansek, Mullins, Nielsen, Zellers and Zgonc (Messrs. Davila and Kuszniir were absent.)

Staff: Tom Brown, Executive Director
Yvonne Smith, Accountant
Tiffany McClelland, Economic Development Specialist
Kelsey Leyva, Office Manager

Guests: Rick Payerchin, Morning Journal
Adam Matthews, Lorain Harbor Railroad
Lynn Crouse, Lorain Harbor Railroad
Andrew Crouse, Lorain Harbor Railroad
Gail Bonsor, Lorain Growth Corporation Tourism Committee
Frank Sipkovsky, Lorain Lighthouse Foundation president

I. Roll Call

A. The meeting was called to order at 7:00 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Report of Officers

A. Chairman

1. Correspondence: Mr. Brown said Paula Tobias, a former board member, recently passed away. She was a very active board member and a driving force for the levy campaign. Visitation is this Friday from 3-7 p.m. at Schwartz, Spence, Boyer and Cool Funeral Home. In addition to that, Ms. Tobias always wanted a bench at Settler's Watch and there is now a campaign to install a bench there. Mr. Brown said he planned to work with those involved to provide pavers to brighten up the pad where the bench will sit.
2. Mr. Brown said Mr. Nielsen brought to the meeting a Polka Brunch flyer and it's \$20 a person on Sunday, May 20th. The American Slovak Club is hosting. Mr. Nielsen said the Slovak Home was hoping the Port would

consider some type of sponsorship. Mr. Brown said it looks like the table sponsorship is nominal, so he planned to take care of it through his discretionary fund.

3. The last piece of correspondence was received from the Coalition for Hispanic/Latino Issues and Progress. It's in reference to their upcoming leadership conference. Mr. Brown said he believed he donated \$250 the last three years. The lowest level of sponsorship this year is \$500. Mr. Brown said he wanted to leave the decision to the board's discretion. Mr. Davila said he believed the CHIP conference is one of the few outreaches to the Hispanic community. He strongly recommended upping it to \$500. Mr. Davila moved to increase the donation to \$500 for 2018. Ms. Carr seconded. Motion carried.

B. Executive Director

1. Brief presentation by Lorain Harbor Railroad: Mr. Brown said Lorain Harbor Railway requested to give a PowerPoint presentation to update the board on their plan. Mr. Matthews said he is the marketing and communications director for the Elyria Public Library System and a railroad preservationist, enthusiast and historian. Lorain Harbor Railway is a group of people with 100+ years of experience in engineering, railroading, volunteering, fundraising, education, photography, videography and more. The volunteer organization is dedicated to historical education and preservation of Lorain's transportation history through the restoration operation of rail equipment. Mr. Matthews mentioned a line of rail outside that has laid dormant for years. He said the Transportation Center was designed like a train station for a reason and his group would like to put a train there. They want to turn space behind Train Station into something more. In the first year, the group's goal would be to build membership and interest, bring equipment on site and host at least 10 events throughout the year. As far as equipment, the group has a speeder which can hold two people and haul two trailing cars for short rides. They also have a General Electric 23-ton switching locomotive. It's

currently painted yellow, but the group wants to turn it into a character known as Lorrain the Locomotive. In addition, the group owns a GE 45-ton Switcher. They've moved large equipment in the past. In the past they transported a locomotive from Amherst to the area behind the old Ford Plant in Lorain. Mr. Zellers asked for clarification and Mr. Matthews reiterated the group has two passenger cars and a caboose in addition to the speeder and the two locomotives. All equipment is located at the Ford Plant. Mr. Matthews said in the past he has worked the International Tree and Model Train Display. Lorain Harbor Railroad believes it would be great to run a Santa Train in conjunction with the tree and train display. Murder mysteries and speak easy nights are possible event ideas the group has. Mr. Matthews said he serves as the keynote speaker at railroad related events at the library where 60-80 people attend. The group would also like to participate in and have a presence at events such as the International Festival. Mr. Mullins asked how far the hypothetical train could go without interfering with train traffic. Mr. Matthews said it's unlimited and they'll get to that in a minute. He went on to say what the group needs from the Lorain Port Authority is a partnership with the rights to exclusive rail development, use of existing and possible future track, free use of the Train Station for events and meetings and land for a 60x80-foot building to be attached to the Nickle Plate 384 project. Mr. Matthews said there is an existing problem at Eighth Street as the rail was covered by the road. They would operate down to the Norfolk Southern Line because that's where the track ends. Mr. Zellers asked Mr. Brown if the area Mr. Matthews was referring to was all owned by the Port. Mr. Brown said yes and asked what would be necessary to legally add a crossing. Mr. Crause said the Port wouldn't need to do anything to be a designated stop because it does not cross a state highway. Mr. Matthews said the track is an isolated rail line and the rules are different. Ms. Carr asked if in the future the track is connected to a larger rail line, would they need to backtrack to be compliant. Mr. Matthews said yes and added that

it would be complicated to do. In conclusion, Mr. Matthews said the Lorain Harbor Railroad would love to bring a steam locomotive to Lorain. They have one in mind and say it would be relatively inexpensive to restore to operation. Mr. Mullins asked about the group's financing. Mr. Matthews said they plan to fundraise like crazy. Mr. Mullins then reiterated his question about current financing. Ms. Crause said the investment by the Port Authority the first year would be \$0. The plan is to spend the first year of operation fundraising. The Lorain Harbor Railroad would provide equipment, volunteers and insurance. Mr. Mullins asked about what equipment they own. Mr. Matthews said the group owns everything outside of the steam locomotive, which is owned by the City of Lorain and leased to the Lake Shore Railway Association (LSRA). Mr. Mullins asked how the group plans to acquire it. Mr. Matthews said Lorain Harbor Railway would have to reach an agreement with LSRA as they do not want it. Mr. Mullins asked about the cost to move the equipment. Mr. Crause said the passenger cars were moved by Over the Top Construction. They specialize in heavy moves. They charge considerably less for such a move. It's under \$3,000 per unit of equipment. Ms. Crause said moving the equipment is in the future. They plan to start small. She said to think of them more as a museum. There is 2,700 feet of track available here. Ms. Crause said the group is very interested in working with local people to mentor teens so they can learn the mechanics and operation. Mr. Zellers said he sees the benefit but the fear is the lack of financing. He encouraged fundraising for a period of time first before entering into any agreement. Mr. Zellers said it's important we understand the financing and fundraising sounds like a big part of it. Mr. Matthews said he believes he could get 2,000 hits online easily if the group announced its plans to restore the steam locomotive. Ms. Crause explained the railroading community is quite large. She said murder mysteries is one of their specialties. Even though it's not related to railroads, murder mysteries are good fundraisers. Mr. Mullins asked about

a budget and what the Lorain Harbor Railroad would need to make all of this happen. Ms. Crause said it's broken into stages. In the first year, it's about \$2,000. There is an entire community interested in the history of trains. Volunteers are free of charge. Mr. Mullins said it's important to consider the amount of space this would take as the Port hosts concerts and events all summer long. Ms. Crause said the equipment would be stored on the south end of Black River Landing near Eighth Street. Mr. Mullins said he understood, but the Lorain Harbor Railway would need to be understanding of the limits of using our site and building. The staff frequently rents the site and building. Mr. Mullins added that he thinks it's a great idea and asked about plans for a restaurant in a rail car. Ms. Crause said there is a potential in the future to lease a project like that, but Lorain Harbor Railway has no interest in serving or preparing food. She said the group needs to start somewhere, and understand they're starting from scratch. They have a lot of background and skills. Ms. Crause has 40 years of experience in non-profits and grant writing. Mr. Mullins asked what the group wanted from the Port Authority. Ms. Crause said they want permission to use the 2,700 feet of track and that would be for speeder rides. Mr. Zellers said without the plan for financing, to let you put the cars on there, it wouldn't make sense for the board today. He believes the permission to use the track comes after they prove they have the financing to maintain the operation. Ms. Crause said the track is tied into the fundraising. Mr. Nielsen said the board needs to have further discussion on a committee level. He said the Port would have to do this in stages. Mr. Mullins said the Port would get back to the Lorain Harbor Railway after a committee gets a chance to discuss it further. Mrs. Gail Bonsor said she is the chairwoman for the International Tree and Model Train Display and she took offense to that event being used in the Lorain Harbor Railway's presentation.

2. Boat Launch Agreement with Robert Fowler/Grumpy's Bait and Tackle:

Mr. Brown said the resolution is identical to last year's resolution, except

for the dates. In the past three years the Port renegotiated the agreement with Mr. Robert Fowler. Mr. Fowler said he'd be happy to come back at the same level. Mr. Brown said Mr. Fowler did ask for a small budget to install security cameras, and Mr. Brown said he's on board with the idea.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH ROBERT FOWLER dba GRUMPY'S BAIT AND TACKLE FOR THE 2018 OPERATION AND MANAGEMENT OF THE AGENCY'S LAUNCH RAMP FACILITIES, (BLACK RIVER WHARF AND EAST SIDE LAUNCH RAMP) SUBJECT TO AMENDMENT AND LEGAL COUNSEL REVIEW.

Ms. Carr moved to accept Resolution No. 2018-07. Mr. Zellers seconded the motion.

Roll call vote as follows:

Ayes: 7

Nays: 0

Abstain: 0

Resolution Passed

3. LED Lighting Upgrade RFP update: Mr. Brown said proposals were due yesterday and the Port Authority received two. The next step is a technical review. Mr. Brown said he would like for two more board members, in addition to Mr. Zellers, to come in and participate in the interviews. He said he would shoot out an email tomorrow to finalize the review group. Mr. Kuszniir volunteer to join.
4. CDFA Assessment update: Mr. Brown said all staff and board members received an email and a calendar invite related to the upcoming CDFA site visit. He said he knows this is a big chunk of time and they tried to be sensitive to that, but this assessment is a huge undertaking and input from the board is going to be crucial. It's a Thursday and Friday in mid-April. Mr. Brown explained the visit involves coordinating people from Columbus, Minneapolis and Pittsburg. Mr. Mullins asked if there were any alternatives as far as time. Committing to two full days is near impossible for Mr. Mullins. He believes they've had to run into this problem with other

boards. Mr. Brown said they've had the discussion, but he knows weekends would be difficult, too. It's a work-session. He said Thursday is very important. Mr. Brown said this process will be much stronger with board input. He's willing to talk to supervisors, send letters or beg. Skype in this instance isn't practical for confidentiality reasons. Mr. Brown said he wishes there was a better answer. Mr. Mullins asked how many board members RSVP'd so far. Mr. Brown said two. Ms. McClelland said she spoke with CDFA at length about this and tried to explain the large commitment it was. She said CDFA explained this is their process and this is how they function. The way the process works is they'll take the information from day one to put into their presentation on day two. CDFA so much as said board members who don't attend day one will be completely lost on day two. It's a big commitment, but this is how CDFA functions. If we want the best results, we need the commitment. Mr. Davila said he has a professional development day on April 13 and can't miss it. Mr. Mullins said he's disappointed there's no other alternative. Ms. Carr said she follows a billable hour model and she'll have to work 12 extra billable hours for the next two weeks or more to make them up. At the end of the day, whether she gets a promotion, raise or anything depends on billable hours. She can't just take a day off. Ms. McClelland said on Thursday you'll hear what they've been working on the last 4 months. Thursday afternoon is input from the board. Then on Thursday evening they'll take everything they've learned and they'll draft a final plan to present on Friday. Ms. McClelland said if they misinterpret something on Thursday, you'll want to be there on Friday to clarify. Mr. Mullins asked about shifting the two days to Thursday and Saturday. Ms. McClelland said she could ask. Mr. Nielsen asked about the possibility of two evenings. He said that would work better for him. Mr. Kusznir said he'd find a way to make it work. Ms. McClelland suggested moving the time on Thursday to 4-10 p.m. instead of 10 a.m.-4 p.m. She said she was pretty confident the group has made travel arrangements. Mr. Mullins asked

about travel costs. Ms. McClelland said it's included in the cost of the assessment. She asked if everyone could commit to a Thursday and Friday night. Mr. Zellers suggested starting at 5 a.m. instead of late. Mr. Brown said we need board participation or else it will be staff driven report. Mr. Davila said an evening would work. Ms. McClelland said the dates are pretty set, but she's thinking there's an opportunity to change the hours. Mr. Brown said he's not trying to be short with anyone. He understands it's a big ask and scheduling has just been difficult. Mr. Zellers said he thinks the CDFA needs to be flexible. He believes the board should have known about time commitment from the beginning. It's a negotiating chip. Mr. Nielsen suggested breaking up the time. Mr. Brown said he and Ms. McClelland would see what they can do.

5. Rockin' on the River Press Conference: Mr. Brown said the office will likely host the Rockin' on the River Press Conference early next week in the afternoon. A date is still being finalized, but the concert schedule is finalized. As a reminder, Mr. Brown mentioned Rockin' on the River is not having a concert on July 4. The site, Black River Landing, will be event free for the first time since it's been here. One police officer will likely be on hand to maintain the site. Staff will likely use social media to explain there is no event, but the public is welcome to use the site. Mr. Brown doesn't recommend having an event. He just wanted to make the board aware.
6. Celebrity Bartending: Mr. Mullins said last week he and Mr. Brown had a great time at the Mexican Mutual raising money for the club. It was an enjoyable time and \$300 was raised for the club.

III. Report of Committees

A. Contract Management Committee

1. Mr. Zellers said there is no report at this time.

B. Strategic Development Plan Committee

1. Ms. Carr said there is a matter to discuss later in executive session.

C. Marketing and Public Affairs Committee

1. 2018 Shuttle Boats: Ms. McClelland said the board packet included the tentative schedule we plan to share with the public in the near future. Staff is working with captains and partners to get everything in line for the season. The Port experiences a great season last year, so the hope is to continue the momentum. The schedule is based on what worked and what didn't in 2017. Ms. McClelland said this year the staff is considering adding a new "Sip and Sway" tours. On Friday evenings it would be an adult only trip with the ability to bring a certain number of ounces or amount of beer and wine only. Ms. McClelland said she's talked with the Port's insurance, liquor control and US Coast Guard and there is nothing restricting the Port from proceeding. She said the Port wouldn't sell alcohol and the captain can't consume anything while driving. The ability to bring your own beverages will influence ticket prices. The staff is planning to add to the trips so long as no board member vehemently objects. Ms. McClelland said if there's great demand, wonderful. If not, the staff will make adjustments accordingly. Mr. Brown said numerous people have asked him about the possibility of these type of trips and after the research, this is what the staff feels comfortable with. He then mentioned an early event with Leadership Lorain County. When the boats were put away at the end of the season, there was a laundry list of maintenance issues needing addressed on each boat. The staff is doing everything in its power to get the boats ready by May 2. Mr. Brown said he doesn't believe the work will cause any huge budget movements. The canvas is 12 years old. This season is a catch-up year. Mr. Mullins asked if there were any objections to the "Sip & Sway" tours. Mr. Nielsen said absolutely not. Mr. Sipkovsky asked about bathrooms on the vessel. Ms. McClelland said the staff did consider that and there are options. The boat passes by two places with bathrooms each trip. Our longest tour is only two hours. She said it's a nominal amount of alcohol for no more than two hours. Mrs.

Smith said staff was initially under the impression a toilet needed to be on board, but Coast Guard confirmed that isn't true.

D. Grounds Maintenance and Capital

1. Mr. Nielsen said he had nothing to report.

E. Financial Planning and Audit Committee

1. February 2018 Financial Statement: Mr. Kuszniir said he looked over the February financial statements and everything checked out. Mrs. Smith said explained the accounting system, UAN, only lets users put the permanent budget in once. She got stopped in the middle, came back and realized she had to add it again as a supplementary budget. The other item of interest is under the Kelleys Island Ferry Boat Line Fund. The initial consulting fee is part of the whole project, but not the grant. In response, Mrs. Smith made an additional line item for ease of tracking payments and activities. In February, the Port started the general fund with \$557,664.72. Marine Patrol started at \$1,408.85 and other agency, which is Ariel on Broadway, started at \$31,759.15. Revenues in the general fund were \$1,372.65 and Brownfield income was \$22,357.04. Expenditures in the general fund were \$27,631.07 and Ariel on Broadway was \$19,270.66. Mrs. Cook moved to approve. Mr. Davila seconded. Motion passed.
2. Then and Now: Mrs. Smith said no then and now certificates required board approval.
3. Budget Amendment: Mrs. Smith said she prepared the budget amendment this afternoon. The Port wasn't sure when the payment from Camaco was coming, so it wasn't added to the 2018 budget. The Port recently received the payment, resulting in a \$37,500 increase in general fund. Mr. Mullins asked if it brought them up to date. Mrs. Smith said yes. Mr. Zellers congratulated the staff on a job well done. On the expenditure side, the Port had a contract with Long EDA and Frost Brown for the legal part of the project. The accounting and legal fee line item was increased by \$12,500 for Frost Brown and \$12,500 was added to the planning

consultant line item for Long EDA. The remaining \$12,500 was put in capital projects.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2018 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Ms. Carr moved to accept Resolution No. 2018-08. Mr. Davila seconded the motion.

Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

F. Bylaws and Personnel Committee

1. Mrs. Cook said she had nothing to report.

IV. Other Business

- A. None.

V. Public Comment

- A. Mr. Sipkovsky said he previously had a meeting with Mr. Brown about switching the departure location from Black River Landing to Spitzer Lakeside Marina for Lighthouse Tours. He said his request was a facility or barn. Mr. Sipkovsky said Mr. Brown told him to get quotes so he researched the cost of building a barn that matches the buildings along the "Mile-Long" Pier. Mr. Sipkovsky said Mr. Brown suggested something with wheels or on a trailer. He then said Mr. Nielsen was also supposed to talk to someone about obtaining a trailer. Mr. Sipkovsky said he wanted to know if the Port would provide a facility for the Lighthouse Foundation to operate. Mr. Mullins asked what the cost would be. Mr. Sipkovsky said the estimate was more than \$3,000 for one building. Mr. Mullins asked who would own it. Mr. Sipkovsky said the Port would own it if they bought it. Mr. Mullins asked where exactly the building would be located. Mr. Sipkovsky said it would be in the parking lot behind the Jackalope, near the transient or guest dock. He said Jim, the

owner of the Jackalope restaurant, has no issue with the Lighthouse Foundation using the dock. Mr. Mullins said there is a lease in place and there would need to be conversations with Spitzer. Ms. Carr said we would need to look at the lease to determine the Port's obligation. Mr. Sipkovsky said time is short. The group is already receiving Lighthouse Tour requests for May. Mr. Brown said last time he talked with Mr. Ron Mantini he was researching a trailer. He said he is available by phone and thought the conversation would have been much more productive if someone had called him prior to the meeting. Mr. Brown said his understanding was everyone was in agreement about departing from Spitzer Lakeside Marina and the Lighthouse group was going to research a ticket booth of some sort. This is the first time it has been brought up that the Port would pay for a shed or trailer. Mr/ Brown said he'd be happy to have another meeting with the Lighthouse Foundation and come to some conclusion. Mr. Mullins said the board would defer to Mr. Brown and let him determine the best course of action. Mr. Sipkovsky asked for a time period. Mr. Mullins said Mr. Brown said he would begin looking into it tomorrow. Mr. Brown said he's happy to have a meeting but reiterated this was his first time hearing the Port would be involved financially. Mr. Mullins asked about the Lighthouse Foundation's ability to pay for the trailer. Mr. Sipkovsky said he could look into it but it wouldn't be a great amount because they have projects at the Lighthouse to address. Mr. Nielsen asked about how long the group would need a trailer. Mr. Sipkovsky said May through the end of September. Mr. Zellers reiterated Ms. Carr's point about looking into the lease agreement and ensuring this additional building or trailer is something that can even happen. Mr. Brown said in talking with Mr. Mantini the concept would be to have a mobile unit that could be brought in the day of tours and further utilized at other events.

- B.** Mrs. Bonsor with the Lorain Growth Tourism Committee said she brought new brochures advertising this year's Brewfest. It was released earlier today at the Chamber of Commerce meeting. Also, Mrs. Bonsor wanted to thank the Port for its involvement with Trees and Trains. She said 3,000 people attended in

2017 and she sees it growing every year moving forward. Mrs. Bonsor also apologized for her comment to Mr. Matthews following the Lorain Harbor Railroad's presentation. She explained she's had issues with him in the past.

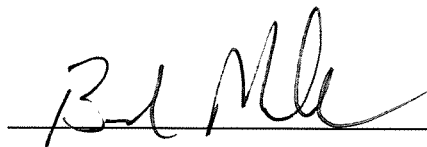
VI. Executive Session

- A. Purposes of Property Disposition:** Mr. Davila moved to enter executive session. Ms. Carr seconded. Motion carried unanimously.

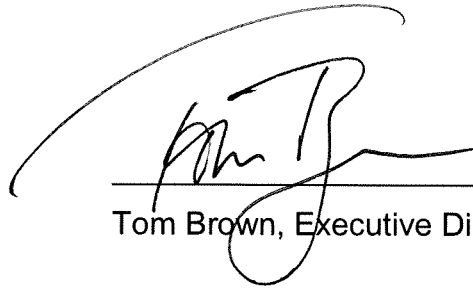
Ms. Carr moved to exit executive session. Mr. Davila seconded. Motion carried.

VII. Adjournment

- A.** There being no further business to come before the committee, Ms. Carr moved to adjourn. Mr. Davila seconded the motion. The motion carried and the meeting adjourned at 8:35 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director