

TOLEDO-LUCAS COUNTY PORT AUTHORITY
Meeting of the Board of Directors
January 28, 2016

The Pledge of Allegiance was recited.

ROLL CALL

The first meeting in 2016 of the Toledo-Lucas County Port Authority Board of Directors was called to order at 8:00 a.m. on Thursday, January 28, 2016, at One Maritime Plaza, 2nd Floor, Classrooms A and B, Toledo, Ohio.

The following members were present: Chairman James M. Tuschman, Vice Chairman John S. Szuch, Directors Nadeem S. Salem, Jerry Chabler, Bernard H. Culp, Dr. Lloyd A. Jacobs, Andrea R. Price, G. Opie Rollison, Sharon Speyer, A. Bailey Stanbery, George Tucker, and Baldemar Velasquez.

The following member was absent: Director William J. Carroll.

APPROVE MINUTES OF MEETING December 17, 2015

The minutes of the meeting of December 17, 2015 were presented for approval, copies having been distributed in advance to all directors. On motion by Director Tuschman and seconded by Director Chabler, and unanimously carried, the minutes were approved as submitted.

PUBLIC COMMENT PERIOD

Chairman Tuschman requested comments from the public. Hearing none, he proceeded with the order of business.

REPORT AND COMMUNICATIONS FROM THE CHAIR: JAMES M. TUSCHMAN

Chairman Tuschman read off a list of numerous projects he would like the board to participate in during 2016. Director Jacobs asked Chairman Tuschman to put them in writing and distribute to the board. Chairman Tuschman said he would do so within the next week.

NOMINATION OF OFFICERS

Chairman Tuschman noted that last month the offices of chairman and vice chairman of the board were appointed. It is now necessary to consider the remaining slate of officers to serve for a one-year term commencing January 1, 2016.

Chair:	James M. Tuschman
Vice Chair:	John S. Szuch
Secretary & Fiscal Officer:	Paul L. Toth, Jr.
Assistant Secretary & Fiscal Officer:	Dawn M. Wenk
	Thomas J. Winston
Assistant Secretary & Fiscal Officer For Bond Programs, Ohio 166, SBA 504 And Grant Programs purposes only:	Joseph E. Bajas
	Lorraine M. Cantrell

After discussion, on motion by Chairman Tuschman, seconded by Director Stanbery, and unanimously carried, the remaining slate of officers for 2016 was approved.

PRESENTATION IN HONOR OF NADEEM S. SALEM

Chairman Tuschman presented an engraved wheel to Director Salem in appreciation for his contributions as President to the Port Authority Board of Directors.

REPORT BY THE PRESIDENT & CEO: PAUL L. TOTH, JR.

Paul L. Toth, Jr. President & CEO, reported a busy start to 2016 and that activity for project financing will be brought forward in future meetings. Mr. Toth reported that four counties were added to the foreign trade zone and that an agreement for leasing the Lucas County Improvement Corp space at Two Maritime is in negotiation.

CONSIDER SERVICES MANAGEMENT AGREEMENT WITH ARG SERVICES, INC.

Mr. Toth reported that BX Acquisitions ("BXA") effectively ceased business operations at One Air Cargo Parkway on January 22, 2016. To retain the existing operations at the facility, the Port Authority formed ARG Services, Inc., a non-profit corporation, to assume the contracts between BXA and its three customers. Three employees of BXA have agreed to work for ARG Services to carry out the daily tasks of the operation and BXA has agreed to cooperate with ARG Services as necessary to transition the services. ARG Services will manage the facility on behalf of the Port Authority, similar to the role previously performed by BXA; however, with more oversight by the Port Authority.

After discussion, on motion by Chairman Tuschman, seconded by Director Jacobs, Directors Chabler and Rollison opposed;

RESOLUTION NO. 1-16

**Authorizing the Formation of ARG Services, Inc. and
Appointing Directors; Authorizing an Agreement between the
Port Authority and ARG Services, Inc.; and Approving
Related Matters**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

REPORT REGARDING ACQUISITION OF GOODS, EQUIPMENT, MATERIAL, AND SERVICES FOR QUARTER ENDING DECEMBER 31, 2015

Mr. Toth presented his report regarding the acquisition of goods, equipment, materiel and services for quarter ending December 31, 2015.

2015 YEAR-END REVIEW OF MARKETING AND COMMUNITY OUTREACH BY HOLLY J. KEMLER, MANAGER OF COMMUNICATIONS

RECOMMENDATIONS AND REPORTS FROM STANDING COMMITTEES AND DIVISIONS

FINANCE COMMITTEE

CONSIDER EXPENDITURES THROUGH DECEMBER 31, 2015

Director Szuch, Finance Committee chair, reported that the preliminary close of the Operating Statements through December 2015 shows \$1,597,000 excess operating revenue over operating expense. This is ahead of the 2015 budget by \$1,478,000. Additional 2015 revenue and expenses are expected during the next two months and the final 2015 Operating Statements will be presented in March.

After discussion, on motion by Director Szuch, seconded by Director Salem, and unanimously carried, the Expenditures through December 2015 were approved as submitted.

CONSIDER ADDITIONAL APPROPRIATION FOR AIRPORT GRANT REIMBURSEMENT PROJECTS

Director Szuch reported that in June 2014, the board appropriated a sum of \$650,000 to establish the Airport Grant Reimbursement Account. It provides necessary cash flow to keep projects funded by grants, loans and other funding sources which require the Port Authority to pay invoices in advance of reimbursement from the participating funding party.

The Finance Committee recommended adoption of a resolution authorizing an additional \$150,000 appropriation from Port Authority Airport Reserves.

After discussion, on motion by Director Szuch, seconded by Director Chabler, and unanimously carried;

RESOLUTION NO. 2-16

Authorizing Additional Appropriation for Airport Grant Reimbursement Projects

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

FINANCING PROGRAMS DASHBOARD

Director Szuch presented the Financing Programs Dashboard.

BETTERBUILDINGS NORTHWEST OHIO PROGRESS REPORT

Director Szuch reported on recent and current projects being undertaken by the BetterBuildings Northwest Ohio program.

NORTHWEST OHIO BOND FUND TRUSTEE REPORT

Director Szuch presented the Northwest Ohio Bond Fund Trustee report.

PRESENTATION BY DR. ARNAND ARGAWAL, PROFESSOR OF BIOENGINEERING, UNIVERSITY OF TOLEDO, "EMERGING MEDICAL TECHNOLOGIES"

FACILITIES AND DEVELOPMENT COMMITTEE

CONSIDER LEASE WITH CROSSWINDS LEASING AT TWO MARITIME PLAZA

In the absence of Director Carroll, chair of the Facilities and Development Committee, Director Stanbery reported that a lease agreement had been negotiated with the firm of Crosswinds Leasing for 3,209 square feet of office space on the first floor of

Two Maritime Plaza, subject to the approval of the board. The term of the new lease is three years with two additional option terms of two years each provided the conditions of the lease are being met.

The Facilities and Development Committee recommended adoption of a resolution authorizing the President to enter into a lease agreement with Crosswinds Leasing on the terms detailed.

After discussion, on motion by Director Stanbery, seconded by Director Price, and unanimously carried,

RESOLUTION NO. 3-16

Authorizing Lease with Crosswinds Leasing at Two Maritime Plaza

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

CONSIDER SALE OF LAND at 9750 GARDEN ROAD

Director Stanbery reported that a sale agreement has been negotiated with D & D Industries, Inc. for approximately 10 acres of property located at 9750 Garden Road, subject to the approval of the Board.

The Facilities and Development Committee recommended adoption of a resolution authorizing the President to enter into a sale agreement with D&D Industries, Inc. based on the terms detailed.

After discussion, on motion by Director Stanbery, seconded by Director Tucker, and unanimously carried,

RESOLUTION NO. 4-16

Authorizing Sale of Land on 9750 Garden Road

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

CONSIDER APPLICATION FROM INTERNATIONAL AUTOMOTIVE COMPONENTS GROUP NA, INC. FOR INCLUSION IN FOREIGN TRADE ZONE #8

Director Stanbery reported that the Port Authority has been the grantee of Foreign Trade Zone #8 since 1971 and administers the zone in a 10 county area under the alternate site framework. International Automotive Components Group NA, Inc. located in Wauseon, Fulton County, Ohio, has requested participation in the Port Authority's FTZ program.

The Facilities and Development Committee recommended adoption of a resolution authorizing the President to authorize and approve all documents necessary to file the application and incorporate International Automotive Components Group NA, Inc. into Foreign Trade Zone #8.

After discussion, on motion by Director Stanbery, seconded by Director Jacobs, and unanimously carried,

RESOLUTION NO. 5-16**Authorizing Application from International Automotive
Components Group NA, Inc. for Inclusion in Foreign Trade
Zone #8**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

2015 YEAR-END REVIEW OF FACILITIES AND DEVELOPMENT BY BRIAN PERZ**AIRPORT COMMITTEE****TOLEDO EXPRESS AIRPORT STATISTICS**

Director Chabler presented the Toledo Express Airport Statistics.

SEAPORT / SURFACE TRANSPORTATION COMMITTEE**SEAPORT STATISTICS**

Director Stanbery presented the Seaport Statistics.

OTHER BUSINESS

At the request of Director Price, the agenda was rearranged to allow additional time for her report as Chair of the Human Resources Committee.

**REPORT FROM MISSION AND BOARD STRUCTURE COMMITTEE BY DR. LLOYD
A. JACOBS**

Dr. Jacobs reported on the progress of the ad hoc committee and asked the directors to provide input for future meetings that will be scheduled.

HUMAN RESOURCES AND COMMUNITY RELATIONS COMMITTEE**CONSIDER AGREEMENT WITH OHIO PATROLMEN'S BENEVOLENT
ASSOCIATION**

Director Price, Human Resources and Community Relations chair, reported that the terms of the Collective Bargaining Unit Agreement effective January 1, 2016 – December 31, 2018 have been negotiated with the contract language remaining the same as the prior agreement, with the exception of base wages which will increase by Two Percent (2%) for 2016, with wage negotiations to occur for years 2017 and 2018. In addition, a Fifty Cents (\$0.50) per hour increase will be given to an officer who works any shift (other than a regularly assigned shift) not subject to overtime pay.

The Human Resources and Community Relations committee recommended adoption of a resolution authorizing the execution of the 2016-2018 Collective Bargaining Unit Agreement with OPBA in the form now on file.

After discussion, on motion by Director Price, seconded by Director Chabler, and unanimously carried;

RESOLUTION NO. 6-16

**Authorizing 2016-2018 Agreement with Ohio Patrolmen's
Benevolent Association**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

CONSIDER SUCCESSION PLANNING POLICY

Director Price reported that a succession planning policy is necessary to provide a guideline for the Port Authority when there is a turnover of leadership for any reason.

The Human Resources & Community Relations committee recommended adoption of a resolution adopting the Succession Planning Policy as presented.

After discussion, and on motion by Chairman Tuschman, seconded by Director Stanbery, and unanimously carried, the Succession Planning Policy was approved as amended to exclude from Item F3; 'Review of salary/bonus recommendations of the staff with the Human Resources & Community Relations Committee'. The amended resolution regarding Item F3 now reads: "On an annual basis, the CEO will review the results of the performance evaluations of the Senior Leadership Team." Director Price asked that the language of the revised resolution be placed in the Human Resources Policy; the board agreed.

RESOLUTION NO. 7-16

Adopting Succession Planning Policy

was adopted. The resolution in its full text as amended is incorporated in the Resolutions Journal of the Port Authority.

DIVERSIFIED CONTRACTORS ACCELERATOR PROGRAM (DCAP) REPORT

Director Price reported that capital request applications in the amount of \$86,230 have been approved since last update to end the year. Program participation requests currently under review for two new participants. Total funds approved to date: \$3,286,314.

Director Culp requested that a report regarding the use of minority vendors of goods and services be included in the DCAP report.

ADJOURN

There being no further business, the meeting adjourned at 11:00 a.m.