

Meeting Minutes of the Board of Directors July 28, 2016

The Pledge of Allegiance was recited.

ROLL CALL

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

The following members were present: Chairman James M. Tuschman, Directors William J. Carroll, Jerry Chabler, Bernard H. Culp, Dr. Lloyd A. Jacobs, Andrea R. Price, Nadeem S. Salem, Sharon Speyer, A. Bailey Stanbery and George Tucker. Baldemar Velasquez joined the meeting in progress.

The following members were absent: Directors G. Opie Rollison and John S. Szuch.

APPROVE MINUTES OF MEETING June 23, 2016

The minutes of the meeting of June 23, 2016 were presented for approval, copies having been distributed in advance to all directors. On motion by Director Tuschman and seconded by Director Carroll, 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 reported that due to the desire of several several directors to attend the funeral of Judge David Katz this morning, the following items are moved to the August agenda: Historic South Toledo Presentation; Community Economic Development Initiative Grant to Toledo Community Foundation for Toledo Alight; Executive Session for Compensation, and Holly Kemler's website update. Chairman Tuschman added that he would like to thank the staff for their work on the Toledo Air Show. Chairman Tuschman presented a brief video from the U.S. Air Force "Thunderbirds" as its 'thank you' to Toledo.

RESOLUTION IN HONOR OF JERRY CHABLER

Chairman Tuschman presented a plaque and captains wheel to Director Chabler in appreciation for his contributions to the Port Authority.

RESOLUTION NO. 50-16

In Honor of Jerry Chabler

CODE OF CONDUCT, TOLEDO-LUCAS COUNTY PORT AUTHORITY, BOARD OF DIRECTORS

Chairman Tuschman reported that the board of directors had been given a month to submit comments regarding the Code of Conduct presented at the June 23, 2016 board meeting, and that changes has been incorporated. Upon motion by Director Jacobs and seconded by Director Stanbery, Chairman Tuschman requested a roll call vote of the issue: Stanbery, yes; Carroll, yes; Price, no; Jacobs, yes; Speyer, yes; Culp, no; Tucker, no; Chabler, no; Salem, yes, Tuschman, yes. The issue was passed by majority vote in favor; the Code of Conduct was approved.

COMMITTEE CHARTERS - SCOPE OF RESPONSIBILITIES

Chairman Tuschman requested a motion to approve the Committee Charters as approved and advanced by each of the Finance, Transportation & Operations, Planning & Development, and Government, Community & Human Relations Committees. Upon motion by Director Carroll, seconded by Director Stanbery, and unanimously carried, the Committee Charters were approved.

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

Paul L. Toth, Jr., President & CEO, acknowledged the Airport staff Steve Arnold, Joyce Amborski and Joe Rotterdam, for their work on the Toledo Air Show. Mr. Toth also acknowledged Brian Perz, Anthony Schumaker, and John Stieb for their help with the parking. Mr. Toth reported that the financials were presented to the state auditors and acknowledged Michele Lashuay and Katie Feher for their work on the audit resulting in no findings. Mr. Toth also reported that Overland Industrial Park is creating jobs in low income / poverty stricken areas. Further, Mr. Toth expressed his thanks to Director Chabler for his dedication through the years to the Port Authority

REPORT OF PRESIDENT REGARDING ACQUISITION OF GOODS, EQUIPMENT, MATERIEL & SERVICES FOR QUARTER ENDING JUNE 30, 2016

Director Velasquez joined the meeting in progress.

RECOMMENDATIONS AND REPORTS FROM STANDING COMMITTEES AND DIVISIONS

FINANCE COMMITTEE

CONSIDER EXPENDITURES THROUGH JUNE 30, 2016

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Director Jacobs, Finance Committee chair, reported that the Operating Budget through June 2016 shows \$395,667 excess operating revenues over operating expenses. This is ahead of budget by \$317,175.

After discussion, on motion by Director Jacobs, seconded by Director Tucker, and unanimously carried, the Expenditures through June 2016 were approved as submitted.

CONSIDER CAPITAL LEASE FOR MITSUBISHI RAIL SPUR AND LOAN FROM STATE INFRASTRUCTURE BANK

Director Jacobs reported that the Port Authority has been asked to provide funds necessary to complete the installation of a rail spur for the Mitsubishi Chemical Performance Polymers, Inc.

The Finance Committee recommended adoption of a resolution authorizing the President to apply for a loan from the Ohio Department of Transportation State Infrastructure Bank and enter a ten year capital lease with Mitsubishi Chemical Performance Polymers, Inc. for the construction of the rail spur.

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

RESOLUTION NO. 51-16

Authorize Capital Lease for Mitsubishi Rail Spur and Loan from State Infrastructure Bank

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

CONSIDER AMENDMENT TO RESOLUTION NO. 42-16 REGARDING ISSUANCE OF SERIES 2016C REVENUE BONDS

Director Jacobs reported that last month this Board authorized the issuance of development revenue bonds in an amount up to \$5,000,000 through the Northwest Ohio Bond Fund (the "Series 2016C Bonds") for the benefit of the Northwest Ohio Advanced Energy Improvement District for the acquisition and construction of certain energy efficiency and advanced energy improvement projects, all constituting "port authority facilities" (the "Project").

The Finance Committee recommended adoption of a resolution authorizing amendment to Resolution No. 42-16 to authorize the issuance of the Series 2016C Bonds in an aggregate principal amount not to exceed \$8,000,000 to be used to finance the Project.

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

RESOLUTION NO. 52-16

Authorize Amendment to Resolution No. 42-16 regarding Issuance of Series 2016C Revenue Bonds

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

CONSIDER ISSUANCE OF REVENUE BONDS AND AUTHORIZING TEMPORARY LOAN AGREEMENT WITH WATERVILLE SENIOR LIVING, LLC DBA STORYPOINT OF WATERVILLE

Director Jacobs reported that in March of this year, the Board induced the issuance of up to \$40,000,000 bonds (the "Series 2016 Bonds") for the benefit of Waterville Care 2016, LLC or Senior Living Waterville, LLC dba StoryPoint of Waterville (collectively, "the Lessee").

The Finance Committee recommended adoption of a resolution authorizing (i) the issuance of the Series 2016 Bonds; and (ii) the President to enter into agreements necessary to consummate the temporary loan with Waterville Senior Living, LLC, which agreement will remain in place until the issuance of the Series 2016 Bonds can occur.

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

RESOLUTION NO. 53-16

Authorize Issuance of Revenue Bonds and Authorize Temporary Loan Agreement with Waterville Senior Living, LLC

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

CONSIDER PURCHASE OF OVERLAND INDUSTRIAL PARKWAY ONE, LLC LEASEHOLD INTEREST IN OVERLAND PARK SPEC BUILDING

Director Jacobs reported that, in June 2014, the Port Authority and Overland Industrial Parkway One, LLC ("Overland One") entered into a lease and development agreement to construct a 100,000 SF warehouse/manufacturing spec building at Overland Industrial Park. In addition, a lease has been signed between Overland One and Dana Holdings to lease the existing building, which includes an option to expand the building by up to an additional 200,000 SF. Dana has recently exercised its option for the expansion.

The Finance Committee recommended adoption of a resolution appropriating \$600,000

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from Port Authority reserves to purchase the leasehold interest of Overland One and authorizes the President to enter into agreements necessary to assume the existing debt on the spec building and to transfer full ownership of the spec building to the Port Authority.

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

RESOLUTION NO. 54-16

Authorize Purchase of Overland Industrial Parkway One, LLC Leasehold Interest in Overland Park Spec Building

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

CONSIDER APPROVAL OF ISSUANCE OF BONDS FOR EXPANSION OF SPEC BUILDING AT OVERLAND INDUSTRIAL PARK

Director Jacobs reported that, in June 2014, the Port Authority and Overland Industrial Parkway One, LLC ("Overland One") entered into a lease and development agreement to construct a 100,000 SF warehouse/manufacturing spec building at the Overland Industrial Park. A lease has been signed with Dana Holdings to lease the existing building, which includes an expansion of the building by an additional 200,000 SF to accommodate the manufacturing and assembly of axles for Chrysler and other auto makers in the region. Dana has committed at least 300 living wage jobs to be created at the facility, and will invest up to \$70 million in equipment and other improvements in the building.

The Finance Committee recommended adoption of a resolution authorizing the issuance of up to \$8.5 million in taxable bonds from the Northwest Ohio Bond Fund and accepting a \$6,250,000 loan from JobsOhio and a \$750,000 loan from Lucas County to finance the expansion and tenant improvements of the existing 100,000 SF spec building.

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

RESOLUTION NO. 55-16

Authorize Issuance of Bonds for Expansion of Spec Building at Overland Industrial Park

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

CONSIDER ISSUANCE OF BONDS FOR CONSTRUCTION OF A 100,000 SQ. FT. BUILDING AT OVERLAND INDUSTRIAL PARK

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Director Jacobs reported that, in June, the Port Authority, NAI/Harmon and Dana Corporation announced a lease with Dana Holdings for the 100,000 SF warehouse/manufacturing spec building at the Overland Industrial Park, including an expansion of the building by an additional 200,000 SF to accommodate the manufacturing and assembly of axles for Chrysler and other auto makers in the region. Dana has committed at least 300 living-wage jobs will be created at the facility and will invest up to \$70 million in equipment and other improvements in the building.

The Finance Committee recommended adoption of a resolution authorizing the issuance of up to \$2.3 million in taxable bonds from the Northwest Ohio Bond Fund, accepting a loan from JobsOhio in the amount of \$2,000,000, and appropriating \$1.0 million from Port Authority reserves to finance the construction of a 100,000 SF Class A building just north of the proposed Dana manufacturing facility at Overland Industrial Park.

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

RESOLUTION NO. 56-16

Authorize Issuance of Bonds for Construction of 100,000 SF Building at Overland Industrial Park

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

FINANCING PROGRAMS DASHBOARD

Director Jacobs presented the Financing Programs Dashboard.

BETTERBUILDINGS NORTHWEST OHIO PROGRESS REPORT

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

NORTHWEST OHIO BOND FUND TRUSTEE REPORT

Director Jacobs presented the Northwest Ohio Bond Fund Trustee report.

TRANSPORTATION & OPERATIONS COMMITTEE

CONSIDER CONSTRUCTION CONTRACT FOR FENCING INSTALLATION AT CENTER OF INNOVATION FOR BENEFICIAL REUSE DREDGED MATERIAL

Director Carroll, Transportation & Operations Committee chair, reported that in October

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2014 the Board of Directors authorized the President to accept grant funding from the Ohio Department of Natural Resources through its Healthy Lake Grant program and to enter into an agreement with the City of Toledo to utilize City property to implement projects involving the beneficial use of dredged material. The next phase of construction of the new facility will be a new perimeter fence, gates and seeding work.

The Transportation & Operations Committee recommended adoption of a resolution authorizing the President to enter into a contract with Marleau-Hercules Fence Co. for the project in an amount not to exceed \$111,995 and authorizing payment, including up to an additional ten percent (10%) contingency, from the proceeds of the Ohio Department of Natural Resources Healthy Lake Grant.

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

RESOLUTION NO. 57-16

Authorizing Construction Contract for Fence Installation at Center of Innovation for Beneficial Reuse Dredged Material

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

CONSIDER ENERGY PROGRAM FOR MECHANICAL SYSTEM AND LIGHTING UPGRADES AT TWO MARITIME PLAZA

Director Carroll reported that the next BetterBuildings project at a Port Authority property will be the mechanical system and lighting upgrades at Two Maritime Plaza. In October 2010, the Board of Directors established a Revolving Loan Fund mechanism for the Port Authority's Energy Efficiency and Alternative Energy Program capitalized with \$3,000,000 of the proceeds of a grant from the U.S. Department of Energy.

The Transportation & Operations Committee recommended adoption of a resolution authorizing the President to enter into contracts with contractors submitting the lowest responsive and responsible proposals to replace the mechanical and lighting systems in Two Maritime Plaza, the total project cost of which will not exceed \$550,000. The project will be funded by Series 2016C bonds issued to the Northwest Ohio Advanced Energy Improvement District. The Port Authority will repay the project through an assessment on the property and paid back over 15 years.

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

RESOLUTION NO. 58-16

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Authorizing Energy Program for Mechanical System and Lighting at Two Maritime Plaza

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

TOLEDO EXPRESS AIRPORT STATISTICS

SEAPORT STATISTICS

AMTRAK RIDERSHIP

PLANNING & DEVELOPMENT COMMITTEE

CONSIDER PROFESSIONAL SERVICES AGREEMENT FOR OVERLAND INDUSTRIAL PARK (MANNIK & SMITH GROUP)

Director Speyer reported that since 2010 when the Port Authority purchased the Overland Industrial Park site, Mannik & Smith Group has been the planning, environmental and engineering partner for this project. The next phase in redevelopment at Overland is design of the Phase One Service Road for the access to the back of the site, as well as platting, topographic update, and final site plan.

The Planning & Development Committee recommended adoption of a resolution authorizing the President to enter into a contract with Mannik & Smith Group for the next phase of professional services for Overland Industrial Park at a cost not exceed \$250,000. The project will be funded from Port Authority Reserves.

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

RESOLUTION NO. 59-16

Authorizing Professional Services Agreement for Overland Industrial Park (Mannik & Smith Group)

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

GOVERNMENT, COMMUNITY & HUMAN RELATIONS COMMITTEE

CONSIDER COMMUNITY ECONOMIC DEVELOPMENT INITIATIVE GRANT TO REGIONAL GROWTH PARTNERSHIP FOR ROCKET VENTURES

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Director Price reported that an application was submitted for \$35,000 to support the not-for-profit entity Rocket Ventures, LLC, in collaboration with Lucas County. Rocket Ventures is a technology-enable start-up environment through a broad and inclusive entrepreneurial community in northwest Ohio, while specifically focusing on preparing companies for funding and sustainability by providing intensive business assistance services.

The Government, Community and Human Relations Committee recommended adoption of a resolution authorizing the President to execute a grant agreement for Rocket Ventures in collaboration with Lucas County for the expenditure of \$35,000 of previously-appropriated funds from the Property Tax Fund for eligible development costs.

After discussion, on motion by Director Price, seconded by Director Culp, and unanimously carried, Directors Jacobs and Speyer abstained.

RESOLUTION NO. 60-16

Authorizing Community Economic Development Initiative Grant to Regional Growth Partnership for Rocket Ventures


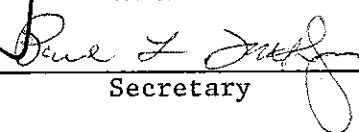
was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

DIVERSIFIED CONTRACTORS ACCELERATOR PROGRAM (DCAP) REPORT

Director Price reported that the Port Authority accepted another participant into the Diversified Contractors Accelerator Program, the Danielle Vincent Agency. The current total of participants is 50. Capital request applications in the amount of \$250,931 were approved in June. Approvals to date: \$3,981,937.

ADJOURN

There being no further business, the meeting adjourned at 9:25 a.m.


Chairman

Secretary