

### Meeting Minutes of the Board of Directors December 21, 2017

The Pledge of Allegiance was recited.

#### ROLL CALL

The ninth meeting in 2017 of the Toledo-Lucas County Port Authority Board of Directors was called to order at 8:00 a.m. on Thursday, December 21, 2017, at One Maritime Plaza, 2<sup>nd</sup> Floor, Classrooms A and B, Toledo, Ohio.

The following members were present: Chairman James M. Tuschman, Vice Chairman William J. Carroll, Directors Bernard H. Culp, David Fleetwood, Kim Cutcher, Andrea Price, William Rudolph, Nadeem Salem, Sharon Speyer, John Szuch, and Baldemar Velasquez.

The following members were absent: Directors Shaun Enright and Sharon Gaber.

#### APPROVE MINUTES OF MEETING NOVEMBER 16, 2017

The minutes of the meeting of November 16, 2017, were presented for approval, copies having been distributed in advance to all directors. On motion by Director Tuschman, seconded by Director Carroll, and unanimously carried, the minutes were approved as submitted.

#### PUBLIC COMMENT PERIOD

Chairman Tuschman requested comments from the public. William Yockey, Trustee for ILA Local #1982, was present and spoke regarding the status of discrimination cases against Midwest Terminals of Toledo. He agreed to provide the Board with documentation.

#### REPORT AND COMMUNICATIONS FROM THE CHAIR: JAMES M. TUSCHMAN

- A. Chairman Tuschman reported that two years ago he said he would raise the profile of the Port Authority. To that end, he asked Holly Kemler, Director of Communications, to present the video *More Than a Port*.
- B. **Presentation by Holly Kemler: More Than a Port Campaign** (Madhouse. "*More Than a Port*." youtube.com/thetlcpa, Contributors: Toledo Aerial Media, Allied Media. Publisher, Toledo-Lucas County Port Authority, February 9, 2018.)
- C. **Resolution Honoring Mayor Paula Hicks-Hudson**

Chairman Tuschman read a Resolution honoring Mayor Paula Hicks-Hudson.

On motion by Chairman Tuschman, seconded by Director Fleetwood, and unanimously carried,

### **RESOLUTION NO. 74-17**

#### **In Honor of Mayor Paula Hicks-Hudson**

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

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

Mr. Toth reported that H.R. 1098 has passed and the new market tax credits and private bonds have been retained, which is good news for the Port Authority. Mr. Toth also reported that the finance team closed two bonds: Yankee Trace and Energy Bond #6.

### **RECOMMENDATIONS AND REPORTS FROM STANDING COMMITTEES AND DIVISIONS**

#### **FINANCE & DEVELOPMENT COMMITTEE**

#### **CONSIDER EXPENDITURES THROUGH NOVEMBER 30, 2017**

Director Szuch reported that the Operating Financials through November 2017 show \$1,641,800 excess operating revenue over operating expense. This is ahead of budget by over \$1,919,200 with revenues ahead of budget and expenses falling under budget.

The Finance & Development Committee recommended approval of the Expenditures through November 2017.

Following discussion, on motion by Director Szuch, seconded by Director Speyer, and unanimously carried, the Expenditures through November 30, 2017 were approved as submitted.

#### **CONSIDER OPERATING BUDGET FOR 2018 AND MAKING ANNUAL APPROPRIATIONS FOR 2018 EXPENSES**

The Finance & Development Committee recommended adoption of a resolution authorizing the Operating Budget for 2018.

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

### **RESOLUTION NO. 75-17**

### **Authorizing Operating Budget for 2018**

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

The Finance & Development Committee recommended adoption of a resolution authorizing Annual Appropriations for Current Expenses.

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

#### **RESOLUTION NO. 76-17**

### **Authorizing Annual Appropriations for Current Expenses**

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

### **CONSIDER ACCEPTANCE OF 2016 AUDITED FINANCIAL STATEMENTS**

Director Szuch reported that Gilmore, Jasion & Mahler, Ltd., a certified public accounting firm engaged by the Auditor of the State of Ohio, has audited the Financial Statements of the Port Authority for the year ending December 31, 2016. The audit received an unmodified, or clean, opinion and uncovered no findings. There were no management recommendations.

The Finance & Development Committee reviewed the Audited Financial Statements with the outside CPA firm and recommended their acceptance.

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

#### **RESOLUTION NO. 77-17**

### **Authorizing Acceptance of 2016 Audited Financial Statement**

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

**CONSIDER APPROVAL FOR ISSUANCE OF BONDS FOR PURPOSES OF REFUNDING OUTSTANDING SERIES 2007B BONDS, REFUNDING OUTSTANDING SERIES 2007C BONDS, AND PROVIDING NEW MONEY FOR MIDWEST TERMINALS PROJECT**

Director Szuch reported that on December 19, 2007, the Port Authority issued \$3,750,000 in principal amount of its Development Revenue Bonds (Northwest Ohio Bond Fund), Series 2007B (Toledo School for the Arts Project) (the "Series 2007B Bonds"), of which \$2,555,000 remains outstanding.

The Finance & Development Committee recommended the issuance of a new series of Northwest Ohio Bond Fund Bonds (the "Series 2018A-1 Bonds") to (A) refund the outstanding principal amount of the Series 2007B Bonds in order to achieve interest rate savings, and (B) to pay closing fees and expenses.

In addition, the Finance & Development Committee recommended the issuance of another new series of Northwest Ohio Bond Fund Bonds (the "Series 2018A-2 Bonds") to (A) refund the outstanding principal amount of the Series 2007C Bonds (Midwest Terminals Project) in order to achieve interest rate savings, (B) to provide \$300,000 in new money for additional improvements at the facility, and (C) to pay closing fees and expenses.

Finally, the Finance & Development Committee recommended adoption of a resolution authorizing the issuance of up to \$5 Million in Northwest Ohio Bond Fund multipurpose new money and refunding revenue bonds therefore.

After discussion, on motion by Director Szuch, seconded by Director Fleetwood, and from which Director Speyer abstained,

### **RESOLUTION NO. 78-17**

**Authorizing the Issuance and Sale of a Maximum Aggregate Principal Amount of \$5,000,000 of One or More Series of Taxable Bonds or Tax-Free Bonds of the Toledo-Lucas County Port Authority under the Northwest Ohio Bond Fund Program for the Purpose of Financing and Refinancing Costs of "Port Authority Facilities" within the Meaning of Ohio Revised Code 4582.01; Authorizing the Execution and Delivery of a Supplemental Trust Indenture to Secure Such Bonds, Authorizing the Execution and Delivery of Modifications to Existing Loan Agreements, Lease Agreements, Mortgages, Notes, and a Collateral Assignment of Mortgages; Authorizing the Sale of the Revenue Bonds, Pursuant to One or More Bond Placement Agreements and Bond Purchase Agreements; Authorizing the Execution and Distribution of a Disclosure Statement in Connection with the Sale of the Revenue Bonds; and Authorizing and Approving Related Matters**

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

### **CONSIDER INCORPORATION OF PARKSMART AND RELATED AGREEMENTS**

Director Szuch reported that in December 2011, the Port Authority acquired the Vistula Parking Garage, Port Lawrence Parking Garage, and Superior Street Parking Garage from the City of Toledo and entered into a Franchise Agreement for the operation of the downtown on-street parking system. In order to manage the daily operation of the garages and the on-street system, the Port Authority entered into a Management Agreement with Downtown Toledo Development Corporation (DTDC), which then contracted with ParkSmart for the performance of operational duties. Because DTDC has increased its scope of community development oversight, it is beneficial to all parties to remove DTDC from the Management Agreement and allow ParkSmart to manage both parking systems as a stand-alone party.

The Finance & Development Committee recommended adoption of a resolution to authorize the incorporation of ParkSmart as an Ohio not-for-profit corporation and to authorize the President to enter into the agreements as outlined.

After discussion, on motion by Director Szuch, seconded by Director Culp, Director Speyer abstained,

#### **RESOLUTION NO. 79-17**

##### **Authorizing the Incorporation of ParkSmart and Related Agreements**

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

### **CONSIDER FEES SCHEDULE FOR DISPOSAL OF DREDGED MATERIAL AT FACILITY NO. 3**

Director Szuch reported that in 2016, the Board of Directors set a schedule of fees for material deposited at Facility No. 3 for calendar years 2016 and 2017. A new fee schedule for dredged material deposited at Facility No. 3 is recommended so organizations which use the facility for disposal can budget for future projects with predictable costs.

The Finance & Development Committee recommended adoption of a resolution authorizing the fees schedule for dredge disposal as detailed.

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

#### **RESOLUTION NO. 80-17**

### **Authorizing Fees Schedule for Disposal of Dredged Material at Facility No. 3**

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

### **CONSIDER AMENDMENT TO EB-5 COOPERATIVE AGREEMENT BETWEEN THE PORT AUTHORITY, MIDAMERICAN GLOBAL VENTURES, LLC, OHIO COMMUNITY DEVELOPMENT FINANCE FUND AND DIPERNA ECONOMIC DEVELOPMENT ADVISORS AND ACCOMPANYING \$100,000 PROMISSORY NOTE**

Director Szuch reported that the Port Authority entered into an EB-5 Cooperative Agreement - Term Sheet, dated October 15, 2013 ("Cooperative Agreement"), with MidAmerican Global Ventures, LLC ("MAG"), Ohio Community Development Finance Fund ("CDFF") and DiPerna Economic Development Advisors ("DiPerna"). Pursuant to the Cooperative Agreement and a Promissory Note, the Port Authority agreed to loan the sum of \$100,000 to MAG to facilitate the establishment of an EB-5 Regional Center to support developmental projects in the region.

The Finance & Development Committee recommended adoption of a resolution authorizing the President to execute an amendment to the Cooperative Agreement and an amendment to the Promissory Note as outlined.

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

#### **RESOLUTION NO. 81-17**

### **Authorizing Amendment to EB-5 Cooperative Agreement (MidAmerican Global Ventures, LLC and Community Development Finance Fund)**

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

### **CONSIDER BRIDGE LOAN TO WESTERN RESERVE LAND CONSERVANCY FOR LAND ACQUISITION IN LUCAS COUNTY**

Director Szuch reported that the Western Reserve Land Conservancy (WRLC) has been working with Metroparks Toledo to identify strategic land acquisitions to expand the Toledo area park system. WRLC has asked the Port Authority to consider a bridge loan in the amount of \$600,000 to support the acquisition of land and other assets in Lucas County. A recent appraisal of the subject properties values the aggregate land at approximately \$3.4 million. WRLC (or its wholly owned subsidiary) will acquire the

land and assets through a binding purchase and sale agreement with the current owners for a period of approximately two years, at which point Metroparks Toledo will purchase the property at an amount not less than the cost of the property purchase and all accrued holding costs, including interest, expenses, taxes, etc. The Metroparks and WRLC are working to secure grant funding to support the land acquisition and anticipated property improvements, which is expected to be in place in 2019.

The Finance & Development Committee recommended adoption of a resolution authorizing a bridge loan in the amount of \$600,000 to Western Reserve Land Conservancy (and/or its wholly owned subsidiary) for the purchase of various properties and assets in Lucas County in support of the expansion of the Toledo area park system

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

### **RESOLUTION NO. 82-17**

#### **Authorizing Bridge Loan to Western Reserve Land Conservancy for Land Acquisition in Lucas County**

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

### **CONSIDER TEMPORARY APPROPRIATION FOR THE PURCHASE OF HANGARS, CONSTRUCTION OF FUEL FARM AND OTHER IMPROVEMENTS AT TOLEDO EXECUTIVE AIRPORT**

Director Szuch reported that on July 27, 2017, the Board of Directors authorized the President to apply for a loan through the State of Ohio Infrastructure Bank Fund (the "SIB Loan") for the purpose of financing the purchase of various hangars and for construction of a new self-service fuel farm and other improvements at Toledo Executive Airport (the "Project").

The Finance & Development Committee recommended adoption of a resolution authorizing the appropriation of \$860,000 from Port Authority Debt Reserves as necessary to complete the Project. All funds appropriated will be reimbursed to Reserves upon closing of the SIB Loan, which is anticipated to close before the end of February 2018.

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

### **RESOLUTION NO. 83-17**

### **Authorizing Appropriation for the Purchase of Hangars Construction of Fuel Farm and Other Improvements at Toledo Executive Airport**

was approved. 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 the BetterBuildings Northwest Ohio program.

#### **NORTHWEST OHIO BOND FUND TRUSTEE REPORT**

Director Szuch presented the Northwest Ohio Bond Fund Trustee report.

#### **PLANNING & OPERATIONS COMMITTEE**

Director Speyer presented the Airport, Seaport, and Amtrak statistics.

#### **TOLEDO EXPRESS AIRPORT STATISTICS SEAPORT STATISTICS AMTRAK RIDERSHIP**

#### **GOVERNMENT, COMMUNITY & HUMAN RELATIONS COMMITTEE**

#### **DIVERSIFIED CONTRACTORS ACCELERATOR PROGRAM (DCAP) REPORT**

Director Price reported that \$4,493,596 have been approved since inception of the DCAP, and includes 100 total projects. The DCAP spotlight this month reflects some of the benefits of DCAP, such as offering access to capital for the purchase of materials and payment of labor costs, providing access to bid, performance and payment bonds to certified minority contractors, and allowing project cash flow decisions to be brought to a local level.

#### **REPORT FROM BOARD OFFICER NOMINATING COMMITTEE**

The Nominating Committee, consisting of Nadeem Salem, chair, and members Sharon Speyer and David Fleetwood, placed in nomination the following slate of officers for consideration by the Toledo-Lucas County Port Authority Board of Directors to serve as officers of this Board for a one-year term commencing January 1, 2018.



Secretary & Fiscal Officer:

Paul L. Toth, Jr.

Assistant Secretary & Fiscal Officers:

Dawn M. Wenk  
Thomas J. Winston

Assistant Secretary & Fiscal Officer  
For Bond Programs, Ohio Development  
Services Agency 166 Direct Loan Program,  
U.S. Small Business Administration Loan  
Program and Grant Purposes Only:

Lorraine M. Cantrell  
Craig L. Teamer

Director Salem reported that only one person expressed an interest in the Chair position and two in the Vice Chair position. The Committee was conflicted on the nomination for the Chair position as the interested candidate had already served two terms. It was decided to table the nominations for the Chair and Vice Chair until the Board could review the By-Laws and governance. The Board did, however, after discussion, on motion by Director Salem, and seconded by Director Speyer, and unanimously carried, approve the remaining slate of officers as recommended.

### **RESOLUTION NO. 84-17**

#### **Authorizing Appointment of Board Officers**

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

### **ADJOURNMENT**