

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, March 15, 2018

The regular Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held at the Cleveland Metroparks Lakefront Office, 8701 Lakeshore Blvd., Cleveland, Ohio on Thursday, March 15, 2018. The meeting was called to order by Chairman Darrell McNair at 8:33 a.m. Attendance by roll call showed the following:

PRESENT

Darrell McNair, Chairman
Jan Roller, Vice-Chair
Patricia Ramsey, Secretary
Harriett Applegate
Paul Hoogenboom
Chris Ronayne
Robert Smith

VIA TELEPHONE

ABSENT & EXCUSED

Anthony Moore

ALSO PRESENT

W. Friedman, President & CEO
D. Gutheil, VP, Maritime & Logistics
C. Naso, Chief Financial Officer
L. Bohinc, Finance Coordinator
L. Sternheimer, Director, Urban Planning & Engagement
M. Freilino, Manager, Executive & Administrative Operations
R. Bever, Director of Finance
G. Woodson, Director, Development Finance & Inclusion
J. Davis, VP, External Affairs
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A
M. Tosini, Federal Marine Terminal
A. Goldberg, Seefried
I. MacDougall, Walter Haverfield
J. Roth, Tucker Ellis
R. Nganga, Huntington
M. Fisher, PNC
A. Clark, R.W. Clark
J. Holody, City of Euclid
K. Gail, City of Euclid
M. Jarboe, The Plain Dealer
V. Adamus, Greater Cleveland Partnership
E. Kogelshatz, Shark & Minnow
J. Cho Salatt, Shark & Minnow

APPROVAL OF MINUTES

The minutes of the Board of Directors meetings of February 8, 2018 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Smith, seconded by Director Applegate and unanimously carried, the Board minutes of February 8, 2018 were approved.

PUBLIC COMMENT PERIOD

Chairman McNair then opened the floor for public comment related to agenda items. There being no public comment, Chairman McNair proceeded with the agenda.

CHAIR'S COMMENTS

Chairman McNair thanked the Board for their service, commitment, and willingness to deal with difficult situations.

PRESIDENT'S COMMENTS

Mr. Friedman addressed the Board and advised that there is no definitive answer as to how the tariffs on steel and aluminum will affect business. The Port of Cleveland is one of the most steel dependent ports in the country. Locally, ArcelorMittal U.S. Domestic is in support of the tariffs.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(1)(a) – Amazon-Euclid Project

Director Roller addressed the Board of Directors and welcomed Kirsten Holzheimer Gail, Mayor of the City of Euclid. Ms. Rhonda Bever addressed the Board and welcomed Mr. Adam Goldfried of Seefried Development and Mr. Eric Murray with Amazon. Mr. Murray and Mr. Goldfried addressed the Board and referred to a presentation attached hereto as "**Exhibit A.**" Director Applegate asked whether an hourly wage has been set for employees. Mr. Murray replied it has not been set, but it will be competitive within the marketplace and will include medical and 401K. Director Ramsey asked whether any unexpected costs related to demolition and site preparation have been anticipated. Mr. Goldfried replied yes, that contingencies are included. Director Roller asked how many trades jobs are anticipated. Mr. Goldfried replied that during active construction it could be between 350-400 per day. Mr. Friedman asked whether there was any environmental remediation required. Mr. Goldfried replied that nothing exceeds commercial industrial standard requirements. Ms. Bever then addressed the Board and referred to a presentation attached hereto as "**Exhibit B.**"

On motion by Director Ronayne, seconded by Director Ramsey, and unanimously carried,

RESOLUTION NO. 2018-04

A RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE AND SALE OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY TAXABLE LEASE REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$113,000,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.01, OHIO REVISED CODE, INCLUDING PAYING OR REIMBURSING THE COSTS OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, INSTALLING, EQUIPPING AND IMPROVING A FULFILLMENT CENTER AND VARIOUS SITE IMPROVEMENTS, LOCATED IN THE CITY OF EUCLID, OHIO; AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN THE PROJECT SITE; AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THE PROJECT FACILITIES AND THE PROJECT SITE BY THE ISSUER TO FC EUCLID OH LANDLORD, LLC OR ITS DESIGNEE TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, A LEASE, A CONSTRUCTION MANAGER AGREEMENT, A BOND PLACEMENT AGREEMENT, AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS NECESSARY IN CONNECTION WITH THE

ISSUANCE AND SECURING OF THE BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

MARITIME COMMITTEE

Agenda Item 4(C)(2)(a) – Federal Marine Terminal (FMT) Lease Agreement

Mr. David Gutheil welcomed Mr. Michel Tosini with Federal Marine Terminals (FMT). Mr. Tosini addressed the Board and thanked them for their hospitality. He stated that FMT has been in Cleveland for 20 years, and this will be the 12th lease agreement. Mr. Tosini looks forward to continued collaboration with the Port of Cleveland. He also congratulated the Port on its 50 year anniversary. Mr. Tosini noted that FMT hired a sales and marketing manager specifically for the Great Lakes, and the position is based in Cleveland. He indicated that FMT is in the third year of a five-year plan for buying equipment. Investments are being made in the infrastructure. Mr. Friedman asked whether FMT is anticipating a good year, despite the tariffs and stated that Cleveland is anticipating a good year. Mr. Tosini replied that he anticipates topping last year. The goal is 500K tons. Mr. Gutheil addressed the Board and referred to a presentation attached hereto as "**Exhibit C.**"

On motion by Director Smith, seconded by Director Ramsey, and unanimously carried,

RESOLUTION NO. 2018-05

A RESOLUTION APPROVING FEDERAL MARINE TERMINALS, INC. AS AN APPROVED TERMINAL OPERATOR FOR THE 2018 SHIPPING SEASON AND AUTHORIZING THE PORT AUTHORITY TO ENTER INTO A ONE-YEAR LEASE AGREEMENT WITH FEDERAL MARINE TERMINALS, INC. FOR WAREHOUSES A, 22,24, 26, AND THE MAINTENANCE SHED FOR THE 2018 SHIPPING SEASON

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

MARITIME COMMITTEE

Agenda Item 4(C)(2)(b) – Port of Cleveland Tariff Modifications

On motion by Director Ramsey, seconded by Chairman McNair, and unanimously carried,

RESOLUTION NO. 2018-06

A RESOLUTION AUTHORIZING CHANGES TO PORT OF CLEVELAND TARIFF NO. 1-B

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

Mr. Gutheil shared a video created for marketing the Port's maritime business and the Cleveland Europe Express. The video will be shared on the website, social media sites and will be used for presentations/exhibits at conferences.

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(3)(a) – Construction Contract for 1st floor at 1100 W. 9th St.

Mr. Carl Naso addressed the Board of Directors and referred to a presentation attached hereto as "**Exhibit D.**" Mr. Naso introduced Mr. Andrew Clark, Vice-President of R.W. Clark. Mr. Clark provided a brief overview of his company.

On motion by Chairman McNair, seconded by Director Hoogenboom, and unanimously carried,

RESOLUTION.NO. 2018-07

A RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION OF A CONSTRUCTION CONTRACT WITH THE R.W. CLARK COMPANY IN AN AMOUNT NOT TO EXCEED \$1,094,554.00 FOR THE PURPOSE OF SPLITTING THE FIRST FLOOR OF THE PORT AUTHORITY'S OFFICE BUILDING INTO TWO DISTINCT AREAS, A 2,800 S.F. LEASABLE AREA ON THE NORTH HALF OF THE FLOOR AND A 3,500 S.F. PORT AUTHORITY CONTROLLED BOARD ROOM & CONFERENCE CENTER

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

Chairman McNair asked whether there was any update on the audit. Mr. Naso replied that he meets with the auditors each Thursday and things are going well.

NOMINATION COMMITTEE

Agenda Item 4(C)(4)(a) – Request to elect officers for the Cleveland-Cuyahoga County Port Authority Board of Directors

Chairman McNair addressed the Board and recommended that the existing be re-elected to their respective positions for 2018. Mr. Darrell McNair will remain as Chairman, Ms. Jan Roller will remain as Vice-Chair, and Ms. Patricia Ramsey will remain as Secretary.

On motion by Director Ronayne, seconded by Director Smith, and unanimously carried,

RESOLUTION NO. 2018-08

A RESOLUTION REGARDING THE ELECTION OF OFFICERS FOR 2018

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

EXECUTIVE SESSION

Agenda Item 4(C)(4)(a) – For the purposes of discussing matters as permitted under Ohio Revised Code 121.22(G)(1) and (3)

On motion by Chairman McNair, seconded by Director Smith and unanimously carried by roll call vote, the Board of Directors entered into Executive Session at 9:45 a.m. to discuss compensation of a public employee and to discuss with counsel pending or upcoming litigation. The Board of Directors ended Executive Session at 10:30 a.m.

On motion by Director Roller, seconded by Director Ronayne, and unanimously carried by roll call vote, the Board of Directors meeting was adjourned at 10:32 a.m.



CHAIR



SECRETARY