

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, May 14, 2020

The Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held via teleconference on Thursday, March 12, 2020, with notice of the call in number been given to the public in advance. The meeting was called to order by Chair Roller at 8:34 a.m. Attendance by roll call showed the following:

PRESENT VIA TELEPHONE

Jan Roller, Chair
Pat Ramsey, Vice Chair
Harriett Applegate, Secretary
Margot Copeland
J. Stefan Holmes
Paul Hoogenboom
Darrell McNair (left call at 9:45 a.m.)
Chris Ronayne
David Wondolowski

ABSENT & EXCUSED

ALSO PRESENT VIA TELEPHONE

W. Friedman, President & CEO
D. Gutheil, Chief Commercial Officer
C. Naso, Chief Financial Officer
N. LaPointe, Director, Planning & Capital Development
M. Rivalsky, Controller
G. Woodson, Director, Development Finance & Inclusion
R. Bever, Director of Finance
M. Freilino, Manager
J. Davis, Vice President, External Affairs
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A
S. Ziance, Vorys
M. Panzica, Panzica Development
B. Nosan, Property Advisors Group
J. Young, Sherwin Williams

APPROVAL OF MINUTES

The minutes of the Board of Directors meeting of March 12, 2020 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Ramsey, seconded by Director Wondolowski and unanimously carried by roll call vote, the Board minutes of March 12, 2020 were approved.

PUBLIC COMMENT PERIOD

Chair Roller then opened the floor for public comment related to agenda items.

CHAIR'S COMMENTS

Chair Roller advised that the order of the agenda has changed. The Real Estate and Development Finance Committee will present first. There being no public comment, she proceeded with the agenda. Chair Roller encouraged people visit to the Cleveland Lakefront Nature Preserve. She also noted that she has been in communication with Mr. Friedman since the COVID-19 quarantine was implemented.

PRESIDENT'S COMMENTS

Mr. Friedman addressed the Board and began by thanking the frontline employees, including Port operations staff, Logistec and the ILA, who have continued to do their jobs during this time. The Development Finance program is continuing to thrive. There is a fairly consistent line-up of ships through June, though a downward turn in the supply chain is anticipated for July and August. Mr. Friedman noted that Flotsam and Jetsam have not been deployed due to the pandemic. The Port is working with Downtown Cleveland Alliance to staff the vessels once it's safe. The CDF sediment processing has not been operational as we're waiting to get final approvals from the FAA. He noted that cruising on the Great Lakes has been shut down and will likely remain closed for the remainder of the year. Mr. Friedman stated that Mr. Naso will present the Port's financial standing at the June Board Meeting.

Director Ronayne also thanked the frontline workers and stated that it's remarkable that the Port is doing so well giving the existing circumstances. He asked how other ports are doing during this time and whether there are any predictions for the remainder of 2020. Mr. Friedman replied that container volume on the coastal ports is down between 15% - 20% depending on the port and the goods being shipped. Large cruise ports are also suffering since their business has essentially been wiped out. The American Association of Port Authorities is lobbying Congress aggressively for relief programs for port authorities. Mr. Friedman stated he thinks European trade will decrease in the third quarter of the year – particularly automotive and steel.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(2)(a) – Sherwin Williams

Ms. Rhonda Bever addressed the Board and welcomed Ms. Julie Young, Vice President of Global Corporate Communications of Sherwin Williams. Ms. Young addressed the Board and read a statement on behalf of Sherwin Williams attached hereto as "**Exhibit A**". Chair Roller thanked Ms. Young and stated the port is extremely excited about the project. She asked whether there were any renderings that could be shared. Ms. Young replied that renderings are not available yet but the site will be built on two existing parking lots. Ms. Bever addressed the Board and referred to a presentation attached hereto as "**Exhibit B**" (slides 1-8). Director Wondolowski thanked Sherwin -Williams for their commitment to union labor and prevailing wage. Director Ronayne asked whether there is a start date for construction. Ms. Young replied there is no official date as of yet.

On motion by Director Ronayne, seconded by Director Ramsey, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-15

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 \$50,000,000 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, INSTALLING, EQUIPPING AND IMPROVING A GLOBAL HEADQUARTERS FACILITY LOCATED IN CLEVELAND, OHIO AND A RESEARCH AND DEVELOPMENT FACILITY LOCATED IN THE CITY OF BRECKSVILLE, OHIO TOGETHER WITH VARIOUS SITE IMPROVEMENTS; AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN THE PROJECT SITES; AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THE PROJECT FACILITIES AND THE PROJECT SITES BY THE ISSUER TO THE SHERWIN-WILLIAMS COMPANY 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.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(2)(b) – Baricelli Apartments Project Taxable Lease Revenue Bonds

Ms. Rhonda Bever addressed the Board and introduced Mr. Michael Panzica, President of Panzica Construction, and Mr. Brad Nosan, Vice President of Leasing and Acquisitions for the Property Advisors Group. Mr. Panzica gave an overview of the project and referred to a presentation attached hereto as "**Exhibit C**". Chair Roller asked Mr. Panzica whether the original Baricelli Inn would be effected by the project. Mr. Panzica stated the original Baricelli Inn will not be altered in any way. The new construction will be immediately next door on Cornell, essentially into the middle of the block where it is now a surface parking lot. Director Ronayne asked what the final unit count will be. Mr. Panzica replied 44 units. Ms. Bever referred to a presentation attached hereto as "**Exhibit B**" (slides 9-15).

On motion by Director Ronayne, seconded by Director Wondolowski, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-16

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$15,000,000 IN THE AGGREGATE PRINCIPAL AMOUNT OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY TAXABLE DEVELOPMENT LEASE REVENUE BONDS, SERIES 2020 (BARICELLI APARTMENTS PROJECT) FOR THE PURPOSE OF PAYING OR REIMBURSING THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING, INSTALLING AND IMPROVING CERTAIN PORT AUTHORITY FACILITIES LOCATED IN THE CITY OF CLEVELAND, OHIO; AUTHORIZING THE ACQUISITION OF LEASEHOLD INTERESTS IN ONE OR MORE REAL ESTATE PARCELS BY GROUND LEASE; AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THOSE FACILITIES BY THE PORT AUTHORITY TO CORNELLMURRAYPARTNERS, LLC OR ITS ASSIGNS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE FOR THE BONDS TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THE BONDS, AN ASSIGNMENT OF LEASES AND RENTS, A MORTGAGE AND A CONSTRUCTION MANAGER AGREEMENT AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS 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)(1)(a) – Cleveland Bulk Terminal Maintenance Dredging Contract

Mr. Nick LaPointe addressed the Board and referred to a presentation attached hereto as “**Exhibit A**” (slides 1-4). Director Ronayne asked where the material will be deposited. Mr. LaPointe replied the material will be mechanically placed into CDF 12 since it isn’t sufficient for beneficial use. Chair Roller asked for an update on access to the CDF. Mr. Friedman replied unfortunately we don’t know. The Port needs FAA approval and we’ve not yet heard from them. We’re cautiously optimistic that we’ll receive approval. Hopefully we’ll know by the end of May.

On motion by Director Copeland, seconded by Director McNair, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-12

A RESOLUTION AUTHORIZING AND APPROVING THE PORT AUTHORITY ENTERING INTO A MAINTENANCE DREDGING CONTRACT WITH RYBA MARINE CONSTRUCTION CO. FOR AN AMOUNT NOT TO EXCEED \$173,800.00, INCLUDING \$39,500.00 OF PORT AUTHORITY CONTROLLED CONTINGENCY, FOR THE PURPOSES OF DREDGING THE BERTH AT THE CLEVELAND BULK TERMINAL AND AUTHORIZING THE EXPENDITURE OF FUNDS FROM MONIES THAT HAVE BEEN APPROPRIATED IN THE FY 2020 CAPITAL BUDGET

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

MARITIME COMMITTEE

Agenda Item 4(C)(1)(b) – Cleveland Bulk Terminal Ore Conveyance Tunnel Extension Phase A Construction Contract & Inspection Professional Services Agreement Authorizations

Mr. LaPointe addressed the Board and referred to a presentation attached hereto as "**Exhibit A**" (slides 5-12).

On motion by Chair Roller, seconded by Director Applegate, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-13

A RESOLUTION AUTHORIZING AND APPROVING THE PORT AUTHORITY ENTERING INTO A CONSTRUCTION CONTRACT WITH THE BEAVER EXCAVATING COMPANY FOR AN AMOUNT NOT TO EXCEED \$2,881,518.00 INCLUDING \$375,850.00 OF PORT AUTHORITY CONTROLLED CONTINGENCY, FOR THE PURPOSES OF EXECUTING PHASE A OF THE CLEVELAND BULK TERMINAL ORE CONVEYANCE TUNNEL EXTENSION PROJECT CONSTRUCTION CONTRACT, AND AUTHORIZING THE EXPENDITURE OF FUNDS FROM MONIES THAT HAVE BEEN APPROPRIATED IN THE FY 2020 CAPITAL BUDGET

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

On motion by Director Ramsey, seconded by Director Ronayne, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-14

A RESOLUTION AUTHORIZING AND APPROVING THE PORT AUTHORITY ENTERING INTO A PROFESSIONAL SERVICES CONTRACT WITH QUALITY CONTROL INSPECTION, INC. FOR AN AMOUNT NOT TO EXCEED \$337,488.00, INCLUDING \$37,498.00 IN PORT AUTHORITY CONTROLLED CONTINGENCY, FOR THE PURPOSES OF PROVIDING CONSTRUCTION INSPECTION & ADMINISTRATION SERVICES ON THE CLEVELAND BULK TERMINAL ORE CONVEYANCE TUNNEL EXTENSION PROJECT, AND AUTHORIZING THE EXPENDITURE OF FUNDS FROM MONIES THAT HAVE BEEN APPROPRIATED IN THE FY 2020 CAPITAL BUDGET AND FUTURE MONIES APPROPRIATED IN THE FY 2021 CAPITAL BUDGET

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

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(3)(A) – Banking Services Proposals & Bond Fund Letter of Credit

Mr. Carl Naso addressed the Board and referred to pages 44-46 of the Agenda.

On motion by Director Hoogenboom, seconded by Director Holmes, and unanimously carried by roll call vote,

RESOLUTION NO. 2020-17


A RESOLUTION ESTIMATING THE AMOUNT OF ACTIVE MONIES
AVAILABLE FOR DEPOSIT AND AUTHORIZING A REQUEST FOR
QUALIFICATIONS AND PROPOSALS FOR BANKING SERVICES AND
THE PUBLICATION OF A NOTICE ADVERTISING SUCH

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

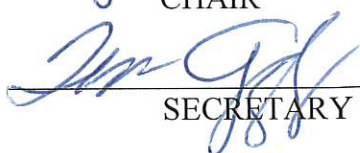
PUBLIC COMMENT

There being no public comment, Chair Roller noted that the next Board of Directors meeting is scheduled for June 17, 2020.

On motion by Director Ramsey, seconded by Director Copeland, and unanimously carried by roll call vote the meeting was adjourned at 9:51 a.m.



CHAIR



SECRETARY