

**Lake Development Authority (LDA)
Board of Directors Meeting Minutes
Wednesday, February 23, 2022**

Call to Order: Chairman, Art Lindrose, called to order the regularly scheduled meeting held in the Lake Erie Conference Room, 105 Main Street, Suite A505, Painesville, OH 44077 at 3:02 pm with the pledge of allegiance and roll call. Board members in attendance included Nate Hicks, John Rampe (Secretary), Wally Siegel, Jim Struna and John Uhran (Vice-chair) Kevin Freese attended by teleconference. Bill Martin and Ronald Wassum were absent.

Others in attendance: David Anderson, Tim Cahill, Patty Fulop, Brandon Dines, and Chad Felton.

Approval of Minutes: The members of the board were provided with electronic copies of the minutes from the January 26, 2022 meeting in advance. A motion was made by Mr. Siegel and seconded by Mr. Struna to approve the minutes of January 26, 2022 as presented. The motion was approved with a 7-0 vote.

Reports and Communications of Officers and Committees:

Chairman's report – Mr. Lindrose had no report.

Executive Director's report – Mr. Anderson gave the report for the Deputy Director of Planning and Development as Patrick Mohorcic was away. For the Fairport Harbor Marina project, Mr. Mohorcic is assisting the City of Fairport and the Fairport Port Authority in finding funds to build the new break wall. Patrick has tentatively identified another funding source through the Infrastructure Bill. He is working with the Transportation Department to determine eligibility. The Mentor Harbor Channel project has been ongoing since 2013; it is failing. At that time the US Army CORP of Engineers decided the project was eligible for Corp participation at 50/50 split between the Corp and the three local partners (Mentor Harbor Yacht Club, the City of Mentor and Lake County, through the Port Authority). It is now 9 years later and a \$6 million project has ballooned to a \$13 million project, which makes the 3 way 50% split now over \$2 million each. The Mentor Harbor Yacht Club recently let us know they do not have \$2 to put toward the project let alone \$2 million and the Army Corp is not sure it is now eligible for their 50% participation. Mr. Mohorcic and the City of Mentor are now looking at alternatives. Some walls are failing and will need to be shored up. We are hoping we can accomplish something, if not the project as it was intended.

Mr. Anderson continued with the Executive Directors report updating the board on the Dredge Facility. There are three aspects to the project and we are fairly far apart on both the contracts and the operating agreement. Both sides are committed to working out a solution. We were pushing to have this done mid-March and we have our next face-to-face meeting scheduled for March 16. The other aspect of the project is the funding. Dredge facilities expected funding to come from the Healthy Lake Erie Fund which has been redirected to use toward pandemic expenses. We have been working with State legislators and may have identified an avenue through the State Capital Budget. There is still a matching

component with that and we hope that ARPA funds apply for that portion. The down side of using the capital bill is that there is not time to get the project built in time for dredging this year. If approved the State Capital Budget funds will not be available until around September. The latest dredging can be done, and is currently scheduled, is August 1, 2022. It has become a problem. Mr. Anderson has received a letter from LaFarge, using Fairport and the Grand River. They have done soundings there and found some areas to be only a 16' depth. Most captains require a 20' depth to deliver a full load. It is not cost effective to deliver a partial load. Mr. Lindrose asked what it would cost to send the material to another facility. Mr. Anderson commented that these facilities are built to take on 20-years' worth of their own material and therefore accepting material other than anticipated for their facility does not appear to be a possibility. The other curve ball the Corp threw at us is that it will cost more for the Corp in tipping fees. They don't know how yet to proceed. We are forging forward to try to get the contracts and funding nailed down. Dredging is usually done every two years and has not been done since 2019.

Public Comments: There were none.

Economic Development:

Public Finance & Chief Financial Officer – Mr. Cahill, Deputy Director of Public Finance and CFO provided the board with the 2021 year-end financials for both the Lake Development Authority and the Lake County Executive Airport. He noted that these are the numbers from QuickBooks and that Cantor will convert them into the State GAAP accounting for auditing purposes. Mr. Cahill went over the Balance Sheet for the Lake Development Authority and the Profit & Loss Budget vs. Actual information. On the income side, he noted that we budgeted more income from the BOCC than received due to not requiring all that was budgeted for airport grants, we received less than budgeted in Finance Program Income due to Omni closing in January of 2022 instead of December of 2021 as anticipated and we received less in property lease income because of the vacation of property by Dalamar in March. Expenses were less than budgeted in 2021 as well. Contractual/Consulting expenses were lower, some rebranding expenses could be paid in 2020, so there was less needed in 2021 as well. Office equipment, software, marketing expenses were all low since the rebranding process covered much of our new supplies. Port insurance was less and we budgeted payroll and fringes for a new employee for half the year that was not needed. Travel expenses were also lower due to COVID. The year ended up with a favorable variance. Mr. Lindrose asked about the AG loan and Tim explained that the program has not been needed recently since interest rates are low and banks are willing to make the loans. Mr. Siegel mentioned a state loan program that is available too. Mr. Cahill continued with the airport's financials. Explaining the Balance sheet and discussing the Profit & Loss Budget vs. Actual information. Income was favorable in fuel sales & aircraft maintenance. Expenses were less than budgeted giving us a surplus for the year. Patty will explain the planned use of the funds.

Lake County Executive Airport – Mrs. Fulop, Airport Manager, expounded on the grant match income and expenses both being less than budgeted and explained that it was not because we did not take grants, it was because the FAA matched the grants at 100% instead of the usual 90%, so some of the budgeted grant numbers were less. Lake County Executive Airport will be receiving \$295,000.00 per year in federal infrastructure funds for additional projects at the airport. Mrs. Fulop has revised the current Airport Capital Improvement Plan to include some items now eligible for funding including a

Snow Removal Equipment storage bay, and LED PAPI (Precision Approach Path Indicator) lighting for both runways. ODOT, Office of Aviation will be opening up their 2023 grant program and applications will be due by May 1, 2022. She is corresponding with GA Consultants to identify any pavement repairs needed and remaining obstructions to remove for that grant. There are two resolutions on the agenda today; one is to authorize the executive director to purchase capital equipment for the airport. We are looking to replace our 2000 pick-up plow truck. The second is to allow the executive director to submit an electronic application to the LCVB for a Community Event Grant for our Wings & Wheels Event on Saturday, August 6, 2022.

Coastal Development – Mr. Mohorcic, Deputy Director of Planning and Development was absent. Mr. Anderson gave a brief report on his behalf with the Executive Director’s report.

Other Economic Development Business: None

Resolutions and Motions:

- a. 2022-02: Resolution of the Board of Directors of the Lake Development Authority (LDA) Authorizing the Executive Director to purchase Capital Equipment for the Lake County Executive Airport in an amount not to exceed \$ 50,000.00. A motion was made by Mr. Siegel and seconded by Mr. Struna to approve resolution 2022-02 as presented. The resolution was approved with a 7-0 vote.
- b. 2022-03: Resolution of the Board of Directors of the Lake Development Authority (LDA) Authorizing the Executive Director to Execute and Deliver an Electronic Grant Application to Remarkable Lake County for the 2022 Community Events Grant Program. A motion was made by Mr. Siegel and seconded by Mr. Struna to approve resolution 2022-03 as presented. The resolution was approved with a 7-0 vote.

New Business:

- a. Chairman Lindrose entertained a motion to go into Executive Session pursuant to Ohio Revised Code 121.22 (G) (3) Relating to a conference with an attorney for the public body concerning disputes involving the public body that are the subject of pending or imminent court action. A motion was made by Mr. Siegel and seconded by Mr. Struna to enter into executive session at 3:59 pm. Chairman Lindrose requested a roll call vote and the result was Mr. Freese – Aye, Mr. Hicks – Aye, Mr. Lindrose – Aye, Mr. Rampe – Aye, Mr. Siegel – Aye, Mr. Struna – Aye, and Mr. Uhran – Aye. The motion passed with a 7-0 vote. Mr. Freese left the meeting at this point.
- b. A motion was made by Mr. Siegel and seconded by Mr. Struna to return to the public meeting at 4:30 pm. Chairman Lindrose requested a roll call vote and the result was Mr. Hicks – Aye, Mr. Lindrose – Aye, Mr. Rampe – Aye, Mr. Siegel – Aye, Mr. Struna – Aye, and Mr. Uhran – Aye. The motion passed with a 6-0 vote.

Board Remarks: None

Adjournment: A motion was made by Mr. Siegel and seconded by Mr. Struna to adjourn the public meeting at 4:31pm. The meeting was adjourned by consensus.