

The Board of Directors of the Portage County Port Authority met in a regular meeting in the Portage Development Board/Portage County Port Authority office located at 217 S. Chestnut Street in Ravenna, Ohio on Tuesday, March 10, 2015 at 2:00PM with the following members present:

Dominic Bellino                      David Dix  
Jack Kohl II                          Neil Mann Jr.                      James Wyatt, Jr.

**Absent:** Thomas V. Chema, T.N. Bhargava

**Also present:** Denise Smith, Portage County Prosecutor's Office; Diana Fierle, Secretary/Treasurer

Chairman Jack Kohl called the March 10, 2015 meeting to order approximately 2:05PM and welcomed everyone to the meeting.

*Meeting Minutes - A motion was made by Mr. Dix to approve the meeting minutes for the regular meeting of December 2, 2014, seconded by Mr. Wyatt. All voted in favor and the motion carried.*

*Meeting Minutes - A motion was made by Mr. Dix to approve the meeting minutes for the special meeting of January 15, 2015 with one correction to be made on the second page, seconded by Mr. Mann. All voted in favor and the motion carried.*

**Meeting Notice:** Ms. Fierle stated the meeting legal notice was advertised in the Record Courier on Sunday, March 1, 2015.

**Financials:** Ms. Fierle explained the Treasurer's report (income and expenses) as of December 31, 2014 for the end of the year report and as of February 28, 2015 for the current year and the amounts in our bank accounts. *A motion was made by Mr. Bellino to approve the financial statements, seconded by Mr. Wyatt. All voted in favor and the motion carried.*

*A motion was made by Mr. Bellino to approve the budget report as presented, seconded by Mr. Wyatt. All voted in favor and the motion carried.*

**Brad Ehrhart, President of Portage Development Board Report** – No report today as Mr. Ehrhart is attending the ground breaking for the Philipp Parkway in Streetsboro.

**Legal Counsel – Denise Smith** – No report at this time. She will discuss the release document later.

**Finance/Audit Committee Report – Dominic Bellino, Chairman** - There is no report today as we didn't have a quorum for the Finance/Audit Committee.

## DISCUSSION

**Ravenna Learning Center Project** –Chairman Kohl stated that he attempted to call Mr. Shafran on several occasions and he has not returned his calls. The last conversation with Mr. Shafran was in December. Chairman Kohl decided he was not going to call any more and he would contact Mr. Kevin Callahan regarding the release. There was a promise for conference calls that never materialized. Chairman Kohl told Mr. Callahan that we need the release by March 6<sup>th</sup> before the next Port Authority meeting. Mr. Callahan's office prepared the release. Chairman Kohl stated that they are asking for the \$5,000 back plus an additional \$15,500 for liquidated damages. It was the consensus of the Port Authority Directors that this is unacceptable. Attorney Smith explained her thinking a bit and then stated that they have failed to perform and are not in compliance with any of the provisions of the agreement. Attorney Smith stated that we know they are in breach, we can sue them for being in breach, but that would put us even further behind because we couldn't do anything with the project. She stated that we could counter with giving them the \$5,000 and nothing else and stated that is the port authority's decision. Attorney Smith stated we could also keep the \$5,000 and wait until the end of the agreement when they haven't performed as promised in the agreement. Mr. Bellino asked if we would be in the same position at the end of the agreement. Attorney Smith stated we would be in better position to just end the agreement then since they would not have performed according to the lease agreement. The lease would then be done. She did state that this would put another construction period behind us by waiting. Attorney Smith provided the directors with several options. Chairman Kohl also gave an update on Stark State. He stated that Para Jones stated they still want to be in Ravenna but they went about the marketing of their classes the wrong way and didn't offer the right classes. After much discussion regarding the options, *Chairman Kohl made a motion to allow Attorney Smith to counter with a draft of our own release, authorizing the reimbursement of the \$5,000 and giving Premier and Paran Management 10 business days to respond. The motion was seconded by Mr. Dix. All voted in favor and the motion carried.*

Chairman Kohl asked where we should go from here. Mr. Bellino stated we need to regroup and figure out what our next approach should be. We need to be careful as a group until we get this release signed. We need to decide if we are looking for someone to get a consortium of schools together or are we looking for a builder. Mr. Dix stated that he felt we need to get this project going and take it on ourselves. He stated we need to meet with Stark and just ask them what they want and get it done. Mr. Dix stated we can add on if we get other schools to join in. Mr. Dix stated we probably need to put it out for bid again. Chairman Kohl agreed and stated we sent it out for bid last time and received three proposals. Chairman Kohl asked Attorney Smith if we are required to bid it out and she stated that we are not and we were never required to bid it out. She stated we did it because it made good business sense and we weren't sure at that point of what we wanted. Now we are at a point and had some experience and know more of what we are looking for. Chairman Kohl stated that throughout this process we ended up back where we would have been with Weston, they build a building and we find the financing. Mr. Bellino stated that we should lease the land but in the agreement you have restrictions to who the ultimate tenant will be. We find someone that is going to build and own the building. It will be up to that entity to lease to the schools. Mr. Dix asked if this is something NDS can do? Attorney Smith stated their structure allows for it but is it something they would want to do? Mr. Bellino stated that we should regroup here as a board and figure out what are next moves are as a board. Chairman Kohl asked if we should form a committee consisting of some port directors and some from education and others like the mayor. Chairman Kohl also mentioned that he thought it would be an appropriate use of our funds to provide some seed money for this project.



Mr. Bellino stated for the next step, let's get the draft done and send it out and see how it's received by the developers. At the next meeting, we'll get the committee formed to start the next phase of this project for Plan B. Mr. Dix said yes, we need to get moving on this before we lose this project. Mr. Mann said it's good to put guidelines as to who the tenants can be, but we definitely have to have someone else to manage it. Mr. Bellino stated that's the goal. Chairman Kohl stated, let's get our release first and then we can move from there.

**Freedom Secondary Railroad – Update -** Ms. Fierle stated there is not much of an update at this time. She stated that she and Mr. Ehrhart went over to Deb Mazanec's office to review a few more documents. We haven't gotten any more answers to any of the questions. Attorney Smith stated that she is a little conflicted on representing the Port on this issue as she also represents the county. She did state that the Portage County Auditor has some documents that pertain to the tax exemption. A firm from Washington DC drew up the documents for the county including the transfer documents from the Portage Private Industry Council to the county and the tax exemption documents. Attorney Smith stated that she can probably get some of those documents for the port, but can't really do anything else for us.


Mr. Dix asked what we were being asked to do. Attorney Smith stated that the county commissioners would like the port authority to take over the railroad. The county forwarded a letter of from the Ohio Rail Development Commission stating that there is money available for rehab of the rail but the owner needs to have a 50% match. Chairman Kohl mentioned the rail line has 7 crossing to which 4 have been listed as deficient and must be repaired. When Chairman Kohl asked the commissioners about that, they said don't worry that you can get funds to help fix them with match. Mr. Mann asked why doesn't the county fix them then. Chairman Kohl stated they we would need to know what the income is and what the expenses are before we could consider taking on the railroad. Ms. Fierle mentioned that the tax abatement ends on the railroad this year. Attorney stated that the commissioners can reapply for the exemption and if the port authority took it over, they could apply for the exemption. Ms. Fierle stated that the county is not able to answer the questions when asked. We asked if the abatement expires, what taxes would the county have to pay? We can't get that answer. Chairman Kohl stated that it could be a significant amount and then pile on maintenance of the railroad.

Mr. Bellino stated that personally he feels we really have a lot on our plate right now. Chairman Kohl stated that one of the commissioners mentioned to have that maybe the port should also take on the county airport authority which is a mess. He politely stated no that we aren't really looking for that type of project.

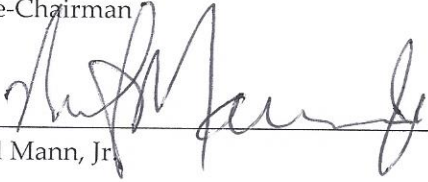
Mr. Bellino stated that the next regular meeting is June 2<sup>nd</sup>. Chairman Kohl stated that we should have one sooner if we get the release.

There being no further business to come before the Board, the meeting of March 10, 2015 adjourned at 2:40PM. We do hereby certify that the foregoing is a true and correct record of the Portage County Port Authority Board of Directors' regular meeting on March 10, 2015.

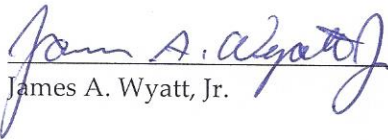
Absent  
T.N. Bhargava



Dominic Bellino  
Vice-Chairman

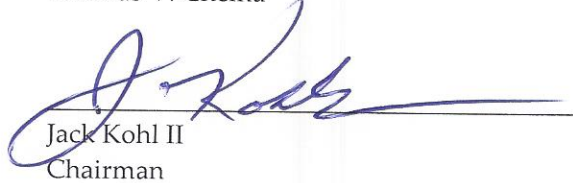


Neil Mann, Jr.

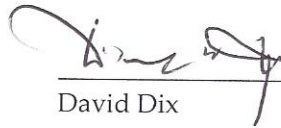


James A. Wyatt, Jr.

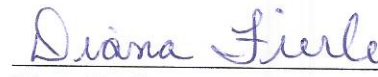
Absent  
Thomas V. Chema



Jack Kohl II  
Chairman



David Dix



Diana Fierle  
Secretary-Treasurer