

VERMILION PORT AUTHORITY MEETING MINUTES

November 10, 2021 – 7:00 p.m.

Roll Call: D. Miklos, P. Corogin, J. Hauck. Absent: H. Riddle
Present: B. Yancar, PORT OPERATIONS MGR; Frank Loucka,
Council Rep.
Guest: Mayor Forthofer

Peter Corogin, Vice Chairman called the meeting of November 10, 2021 to order at 7:00 p.m.

He reported that Chairman, Todd Sommer has submitted his resignation as it was time to get off the board. He said Todd was a member for 15 or 16 years and really deserves a lot of the credit for a lot of the projects and opportunities they created for people in the community with the Port. He said he learned a lot from Todd as he was instrumental on getting him on the Port when he joined a year after he did. He was a good mentor and he and the board will really miss him. He said when he gets back in the Spring they can do a formal recognition of his long duties to the Port Authority.

Approval of Minutes:

D. Miklos MOVED: J. Hauck seconded to approve the meeting minutes of October 14, 2021. Vote 3 YEAS. **MOTION CARRIED.**

Correspondence:

Peter Corogin reported the Mayor sent him and Bill Yancar an email about a lady who is working on a project, which is called the Seabin. It pulls water in, and it collects debris or garbage off the surface of the river that sits on the water. Mayor Forthofer said it sounds like a skimmer. P. Corogin said that Bill Yancar will make contact with this individual to gather more information.

B. Yancar said he visited their website and explained this originated in Australia as they were having a problem with garbage and debris accumulating in the bay around Sidney. They developed the Seabin which is a skimmer that sits just below the water line, and it causes a cascade of the surface water to go into the center section that is like a screen. It looks like they use it specifically for trash, but it will collect any surface debris that is floating by. P. Corogin asked if a river application works. B. Yancar said they need to look more into this and noted they do not have garbage floating around the river, but they do have leaves and sticks, so he wasn't certain they were interested in collecting this kind of debris. He said the bin looks like it would hold 40 to 50 pounds and the unit has to be attached to a dock and it needs a power source to run the pumps. If it is 40 to 50 pounds then he assumes they would need a device to lift the bag out to get rid of the debris. Frank Loucka said this lady made a presentation last night at the Council meeting and she is from Lorain County Solid Waste District and apparently there is one in operation in Lorain County, and they ordered two more, so this is why there may be an opportunity for one in Vermilion. J. Hauck said it would be interesting to see it in

operation if it is close. B. Yancar said he will see where it is located and maybe they can take a field trip to see it. He indicated it would be a new application as the other is an ocean kind of application. P. Corogin said it does not hurt to investigate. B. Yancar will gather more information and will report back to the Port.

P. Corogin said he received correspondence informing them that east break wall to the harbor has been declared completed by the Army Corp and they will have a meeting on Tuesday, November 16 at 1:30 p.m. and on Wednesday, November 17. The Army Corp will come to Vermilion, and Lex Barker who ran the project will bring a contingency of Corp people. They will not only look at the project they completed, but they will talk about the west pier. He said the Mayor will be attending the meeting along with Lee Howley who heads up the Waterways Committee for the Lagoons, and he would like a port member along with Bill Yancar to be in attendance to represent the Port Authority. They will meet at the beach and will walk the east pier, then they will drive to the west pier and will discuss some things, and then they will meet the next day. He said he would send the port members the itinerary. He said when they do the west pier the Port Authority should have some input on this project. Mayor Forthofer said they passed them by on the east pier and they heard about everything after the fact, so they want to be involved on this discussion. D. Miklos said he may be able to attend part of the meeting. J. Hauck said as long as he is available he would have no problem attending. F. Loucka said he could attend Tuesday as the City Council Representative.

Financial Review:

B. Yancar provided a recap of the Statement of Cash from Revenue and Expense at the close of October. He reported the beginning balance in Fund 214 "Vermilion Port Authority Special Revenue" was \$50,403.71. The net revenue year to date is \$177,678.49, the net expense is \$121,875.44, the unexpended balance is \$106,000, the encumbrance for expenses is \$6,465.74, and the ending balance is \$99,741.00, so from last month it is up almost \$5,100.00. The 411 Capital account started out with \$9,685.00 and the net revenue year to date is \$24,884.55, the net expense year to date is \$734.99, the unexpended balance is \$33,794.56, and the ending balance is \$33,044.56 which is up about \$9,100 from the last month closing. The 463 Dredge account started out with \$16,404.99 and they agreed they will probably contribute \$12,000 towards the dredging project. He was not sure if the port is donating it or if the city is donating it.

According to the deposit recap sheet of the cash position the total revenue year to date is \$237,648.85 combining accounts 214 and 411. This is in line with what they were predicting, and they are up \$20,781 from last month. He explained the first half leases are due by the end of October and this year everyone was on time. Two of their customers paid for the full year, so in addition to the half they predicted, they picked up another \$2,000. He said the only remaining as far as additional revenue is one more payment from Sandusky Bay, which is \$2,600, and then they are still estimating an additional \$700. He already made two deposits on the launch ramp as fishing is crazy good and they are seeing a lot more business, so as long as the weather holds they should pick up another \$700. He said they are estimating to

pick up another \$300 for storage of jet ski and kayak docks. The only thing in expenses he is not 100% locked in on is telephone and electric, and sometimes the tech department. If everything comes to fruition the operating account including carryover will be \$261,000. From a standpoint of the capital account at year end, including that carryover, the port will be sitting on \$40,729.55 for a total of \$301,825.00. When they put in the expenses, his prediction for a carryover for the operating account is going to be about \$73,000. His carryover prediction for the capital account is about \$24,000 for a total of \$97,211.00 as the accumulative carryover. This recognizes the current increment for the loan payment to McGarvey's, which this amount is like \$32,000. He thinks this prediction is solid. P. Corogin mentioned he likes the detail as presented by Bill Yancar as it seems he has a good handle on the revenue, expenses, and what is yet to come. He said every year it seems like he has done a nicer job in firming up his reports. He said the report is good and he analyzes it really good. B. Yancar said it is rewarding to see that they are reaching their goals so they can keep the place running the way it should be.

He addressed the report comparison between the marinas. He explained that Water Works Marina has received \$66,910 year to date. They took in \$2,476 in the month of October. The three-year average is \$49,925.63, so on a three-year comparison they are up \$16,984.37 (34.02%). If you compare 2020 to 2021, they are still up \$13,776.92 (25.93%). McGarvey's Landing's total year to date is \$17,710.00. They took in \$90.00 in October. The three-year average is \$6,400.83, so they are up \$11,309.17 (176.68%). In comparing 2020 to 2021 they are up \$16,409.00 (1261.26%). The South Street Launch Ramp year to date total is \$41,580.00 and they took in \$3,300.00 in October. The three-year average is \$38,281.17 and they are up \$3,298.83 (8.62%). So, comparing dock revenue from 2020 to 2021 they are down in total by \$7,099.00 (-14.58%). In total with using all dock revenue, they are up \$23,086.92 (22.39%). P. Corogin addressed the 2020-2021 comparison on the South Street Launch Ramp and asked if they are really comparing the whole \$20,000 of \$48,679.00, which would be 11 months through November? B. Yancar said no the \$48,679.00 is only up to October in that column of numbers.

Port Operations Activity Report:

B. Yancar provided the board members with an updated activity report. He said they have taken steps to start the winterization process – all three of the areas are winterized, and the other one that is partially winterized is Clarion because Strittmather will be putting in the plumbing, but the main line is already winterized. He said all the restrooms at Water Works have been winterized and ladders were pulled. They just need to put the plastic bags over the pedestals. They pulled the fire extinguishers, and they will start the pedestals at McGarvey's next week and this should be a one-day operation.

He said the tree cutting is confirmed and scheduled for December 4. The best bidder wants paid at the completion of the work, which is not conducive to how the city handles it, so the only alternative is to give him a personal check and he will turn it in as expenses through a legitimate receipt. P. Corogin asked if there was a way for finance to accommodate this as he did not like him giving a personal check.

B. Yancar said he will ask this question to the finance director as it usually is cash or check.

He reported he signed a contract with ADT who will be putting in the slab that is Cabela funded. They will try to get it in as soon as possible depending on the weather.

He reported he sent out the leases for the Clarion street ends and these leases are for five years. The Riverside leases have just expired, so they are now starting the next five-year increment, so he asked for board approval for a \$10.00 per year increase for the 2022-2026 lease period. P. Corogin asked if this is what they did on the last five-year lease period and B. Yancar confirmed they did. B. Yancar said the only one that is different as far as finances go is Dry Dock – this is a five-year lease, but its rate does not change. It stays the same for all five years, but the increment has been \$75.00, so it will be an upfront \$75.00 for the first year, which will stay this way through the whole term of the lease. P. Corogin asked what the dollars amounts shown in the budget for Riverside represent. B. Yancar said those amounts are not included this year as revenue – this is next year. He does not send them out until January, and they are due by April 1.

D. Miklos MOVED, J. Hauck seconded to approve the rate increase for the Riverside leases at \$10.00 per year for the lease period of 2022-2026. Roll Call Vote 3 YEAS. **MOTION CARRIED**.

D. Miklos MOVED, P. Corogin seconded to approve the \$75.00 increase with no incremental increases for the five-year duration for Dry Dock. Roll Call Vote 3 YEAS. **MOTION CARRIED**.

D. Miklos MOVED; P. Corogin seconded to authorize \$2,500 for the removal of 11 trees and debris, which will be expended from the 411 account. Roll Call Vote 3 YEAS. **MOTION CARRIED**.

B. Yancar said they did a complete analysis of their credit card processing as they were using Flagship and over their term of four years they ended up on a three-tier system, and it seems that 90% of their transactions were in tier three, which was the most expensive, so they were up to almost 7% for transaction fees and monthly fees. They voted to increase their bank fees costs, so he contacted Huntington who processes for the city, and they had met with a salesman who showed them their equipment, which drastically dropped as far as price goes. He said everybody in the city is using Clover, which is a unit that does not require a phone or a card slider. They were having connection problems with the phones and pairing the unit with the phone, so it was difficult. This one simple unit is very user-friendly and intuitive. He said they bought one unit for Water Works due to the high traffic and they have one for the office because it is better to use the sliders/chips than it is to enter it manually to the computer. They will have an extra one when they have to man McGarvey's and Water Works, so they will have three units. He said the units are being shipped and they should receive them next week. He said they are anticipating a 2 ½ - 3% reduction in percentage points. In some cases, they were over 7%.

B. Yancar said they presented the Mayor and Finance Director with identified critical projects that are important to the Port Authority. One of which was the trees, and the other part is a concern they have with the erosion problem. He said there were nine actual projects, including erosion, asphalt, parking lots, and drinking water. He said they talked about the port's \$16,000 per year accrual that finance is setting aside for the \$390,000. P. Corogin expanded by saying it was a good meeting and they discussed the money the finance director is putting away towards the balloon payment at McGarvey's Landing. He said Bill Yancar presented them with a list of capital projects in addition to showing them the port's 20-year plan. He said the finance director wants to get their budget finalized and he thinks there will be some compromises they need to make on how much funding Amy can allow to not be put away towards the amortization of this balloon payment. They found out it was really a note with the city for the McGarvey's Landing purchase. He said the finance director is trying to protect the city's financial creditability with the state for all the reasons she is the finance director, and they are trying to convey to her that they need some funds they are making, other than the money at McGarvey's Landing, which is going towards amortizing the note right now. He thinks this will be some sort of negotiation, but the finance director wants to see their budget, so they are fiscally on the right path. He said the board needs to approve this budget and get it to the finance director. He said the mayor set up a meeting with the law director for Thursday at 3:30 p.m. to understand a little bit more of how a port functions and what their duties, responsibilities, and authorities are in this whole process. They were thinking they had more authorities over their funds, but they're finding out maybe they don't, so it will be clarified through the law director. Mayor Forthofer said from a financial point of view it is kind of black and white on these things, but he realizes there is critical erosion of the port that could happen if they are not attended to, so there has to be some flex.

J. Hauck said it has a financial impact to the entire city because if it is not a desirable port to come in and the infrastructure and facilities aren't up to code, then there is less travel which is a huge part of the local economy, so this needs to play into the discussions. He said there are other towns and municipalities that allow free access to launch ramps, and they do have great facilities, and do not charge, so he thinks it is important they work at this and get something done.

P. Corogin said tomorrow's meeting is a big step for understanding this. They will convey this information back to the board.

D. Miklos asked if there were any grants announced for funding for next year that could potentially help with erosion. B. Yancar said nothing has come up on its own, but it's not to say if they start investigating with ODNR and the Army Corp that there might be something on the horizon, but right now there is nothing obvious. He noted that Cabela's opened the door saying that on January 1 the port can reapply for another grant and every penny counts for some other type of improvement. He said the port will have some working capital.

B. Yancar provided the port with a copy of the 2022 budget of projected revenue and expenses. He said it does not include the capital projects they just discussed. If there is some movement, then they can adjust the 2022 expenses. He proceeded to

review the budget revenues and expenses for 2022 with the port members. This is on file in the clerk's office. P. Corogin noted this year they are at \$41,000 for the South Street Launch Ramp and asked B. Yancar if his projection is conservative for 2022. B. Yancar said with the fees and season pass it is \$39,500 in total for South Street, so it is a little bit conservative. P. Corogin said he has some conservatives built into the budget with Water Works Marina as well. B. Yancar said they have to because of the weather. He said McGarvey's Landing is \$15,000, which he feels is a good number. The operating revenue (214) is going to be \$193,673.00 and account 411 is projected at \$20,000 for a total 2020 projected revenue of \$213,673.00. This year (2021) he had predicted they would take in \$210,000. From an expense side, the most significant items are out of their control, such as electric and telephone. He did increase labor by \$10,000.

P. Corogin addressed the event income and asked if this is equivalent to the electric golf cart. B. Yancar said yes. P. Corogin said this is \$20,000 in revenue they raised. B. Yancar said there is an expense side that was not included in the 411-capital account, so he will adjust it accordingly for the \$11,500 for the cart cost and freight.

D. Miklos MOVED: J. Hauck seconded to approve the 2022 budget contingent on the \$11,500 for the golf cart adjustment to the 411 account. Roll Call Vote 3 YEAS.
MOTION CARRIED.

P. Corogin adjourned the meeting upon no further discussion.

Next meeting: The Port Authority scheduled their next meeting for December 7, 2021, at 6:30 p.m. at the Vermilion Municipal Court Complex (Conference Room), 687 Decatur Street, Vermilion, Ohio.

Transcribed by Gwen Fisher, Certified Municipal Clerk