

**PORTAGE COUNTY PORT AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING
Monday, December 20, 2010 at 2:30 PM
Regional Planning Commission Conference Room
124 North Prospect Street, Ravenna**

I. CALL TO ORDER – Vice-Chairman David Dix

II. APPROVAL OF OFFICIAL MINUTES

December 7, 2010 Board of Directors' Regular Meeting. Director Dix noted his absence at the meeting but his yes vote on Resolution No 10-014, which will be corrected.

Motion by Director Wyatt to approve the December 7, 2010 meeting minutes, as corrected. Seconded by Director Mann, motion carries.

III. DISCUSSION

In response to the November 30, 2010 correspondence from Portage County Commissioner Chuck Keiper to the Board of Directors, at the Port Authority Board of Directors meeting on December 7, 2010 there was discussion regarding payment by the Port Authority to the newly formed Portage Development Board.

The Directors discussed 1) possible payment of dues to the Portage Development Board, 2) possibly entering into an agreement with the Portage Development Board and assigning a dollar amount to that agreement, and 3) possibly making a donation of seed money to assist in the set up of the Portage Development Board in an amount that may be more than \$15,000.

Noting that Directors Bhargava, Chema, and Kohl sit on the Portage Development Board and cannot participate in a discussion and/or decision regarding this matter, Attorney Denise Smith advised the Directors that the four remaining Port Authority Directors (Directors Dix, Mann, McDonald, and Wyatt) may meet in a Special Meeting to determine how to proceed.

Portage Development Board Chairman Steve Colecchi is attending this meeting today to talk to the Board of Directors about this issue.

Mr. Colecchi stated that he was elected chair of the Portage Development Board in May; they have been working to establish a public/private partnership relative to economic development in Portage County. This board has been modeled after other northeast Ohio counties where private industry, private businesses, financial institutions and educational institutions come together to work with local county government to develop a unique partnership to spur economic development in the area. The Board is a 501(c)(3) corporation with a 34 member board; 12 designated members (by virtue of their position) and the remaining regular board members. This is the first initiative at the county level with all the major businesses, financial institutions, hospital, universities and colleges, and county, cities, villages and townships in one entity working together on economic development.

The Board of Commissioners has agreed to a contract with the Portage Development Board for all economic development responsibilities under the Ohio Revised Code for \$200,000 annually. The Portage Development Board will solicit memberships with the Port Authority being a potential

member. Memberships are being finalized with Robinson Memorial Hospital, Kent State University, Hiram College, Davey Tree, Schneller, Delta Systems, and the banks. The Portage Development Board is asking for a three year commitment with dues at \$5,000 a year.

Mr. Colecchi stated that there was a recent Prosecutor's Opinion that the Roetzel & Andress invoice for \$15,000 for attorney fees for services provided to start up the Portage Development Board was not a proper expenditure of county funds. However, the obligation is still there since Attorney George Sarkis guided the formation of the Portage Development Board as a 501 (c)(3). Roetzel & Andress has agreed to refund the PCDED the \$15,000 and invoice the Portage Development Board.

Director Dix asked if there are issues to consider with the Board of Directors becoming members and paying dues of \$5,000 per year. Attorney Denise Smith responded that she cautions the Board of Directors that a public entity should have an agreement or a contract for the provision of certain services for the payment of dues. She added that she does not know if the new Board of Commissioners will reconsider this contract in part or in its entirety after the first of the year.

Director Dix asked if the Portage Development Board is abolished, would the Port Authority get its dues back? Attorney Smith responded that the Board of Commissioners cannot abolish the Portage Development Board but could agree to pull the \$200,000 in support.

Director McDonald asked if the \$200,000 from the county included salaries? He also stated that he had read in the last meeting minutes and has also heard that the county was committing \$300,000. Mr. Colecchi responded that the original 2010 budget had funding of \$265,000 plus an in kind support. The Portage Development Board was looking for that amount in support. The 2011 budget was \$230,000; the \$200,000 was a compromise amount. He added that the Portage Development Board annual operating expenses are about \$450,000. The Board must generate dues and other financial support and cut back on the original staffing recommendations to make up the difference.

Director Dix asked if there is any difficulty with the Board of Directors entering an agreement with the Portage Development Board. Attorney Smith responded that she reviewed the Board of Commissioners' agreement, which each of the Directors has a copy of, with the Portage Development Board and that could be used as a template with several changes.

Director McDonald asked if the dues are \$5,000 or \$15,000; PCDED Director Ulik responded that there has been \$15,000 in the Port Authority budget for the past several years for this payment.

Mr. Colecchi added that he talked to T.N. Bhargava about the Port Authority paying \$15,000 per year; \$5,000 in dues and \$10,000 in contract services. There is a need for a contract spelling out services. Director McDonald asked what the Portage Development Board would provide in services to the Port Authority. Mr. Ulik responded that his time and Diana Fierle's time could be charged on an hourly basis, for example. Mr. Colecchi stated that the Portage Development Board will come back to the Board of Directors soon with a formal contract for consideration. Today, he is asking for a commitment for membership with the Portage Development Board.

Denise Smith agreed to work with Steve Colecchi on a contract for services for Board of Directors' consideration at the March meeting. The dues amount of \$5,000 agreed to should be acknowledged in that contract for services in the amount of \$10,000 for a commitment of \$15,000.

Steve Colecchi noted that he is building momentum in this effort, getting memberships in place with area businesses, etc.

JOURNAL ENTRY

Motion by Director McDonald to join the Portage Development Board with a membership cost of \$5,000 per year for three years beginning 2011. A formal contract for services will be considered at a later date. Seconded by Director Mann, all in favor, motion carries.

Director Dix noted his familiarity with the Wayne County Development Board, where his sister paper is located, and it is dynamic. Director McDonald agreed that this partnership can only be good for economic development in the county.

IV. SCHEDULED MEETING DATES

The next regular meeting is scheduled for Tuesday, March 1, 2011 at 2:00 PM.

V. ADJOURNMENT at 2:50 PM