

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, December 15, 2022

The Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held at the Port Offices (1100 W. 9th Street) on Thursday, December 15, 2022 with notice of the meeting information provided to the public in advance. The meeting was called to order by Chairman Holmes at 8:40 a.m. Attendance by roll call showed the following:

PRESENT

Margot Copeland (via telephone)
J. Stefan Holmes
Andrew Jackson
Darrell McNair
Teleangé Thomas (via telephone until 9:05 a.m. arrival)
Dave Wondolowski
Peggy Zone Fisher

ABSENT & EXCUSED

Daniel O'Malley

ALSO PRESENT

C. Beck, GIS/Environmental Specialist
M. Bocanegra, Chief Legal Council
J. Davis, Vice President, External Affairs
M. Freilino, Manager, Exec. & Admin Operations
W. Friedman, President & Chief Executive Officer
D. Gutheil, Chief Commercial Officer
N. LaPointe, Director, Planning & Capital Development
C. Naso, Chief Financial Officer
M. Rivalsky, Controller
L. Sternheimer, Director, Urban Planning & Engagement
G. Woodson, Director, Development Finance & Inclusion
N. Lyon-Staduetz, WSP
S. Gage, WSP
M. King, Cuyahoga County
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A
S. Simpkins, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A

APPROVAL OF MINUTES

The minutes of the Board of Directors meetings of November 10, 2022 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Wondolowski, seconded by Director McNair, and unanimously carried, the Minutes of November 10, 2022 were approved.

PUBLIC COMMENT PERIOD/CHAIR COMMENTS

There being no public comment, Chairman Holmes proceeded with the Agenda.

CHAIR'S COMMENTS

Chairman Holmes stated that only Board Members present in the Board Room will vote on today's action items. He noted that all meetings in 2023 will begin at 9 a.m. and there will not be a January 2023 meeting unless needed.

PRESIDENTS COMMENTS

Mr. Friedman addressed the Board of Directors and provided the Board with copies of the Strategic Plan Workshop Schedule attached hereto as "**Exhibit A**".

MARITIME COMMITTEE

Agenda Item 4(C)(1)(a) – United States Customs & Border Protection (USCBP) Cargo & Administrative Facilities Project: Multiple Authorizations

Mr. LaPointe addressed the Board and referred to a presentation attached hereto as "**Exhibit B**" (slides 1-10). Chairman Holmes asked whether USCBP has any parking needs. Mr. LaPointe replied yes, the lease includes nine spaces in the lower parking lot. Director Zone Fisher asked if there was a deadline for completion. Mr. LaPointe replied that the facility is scheduled to be operational for the 2024 shipping season. Mr. Friedman added that USCBP has detailed specifications, regardless of size, that are extremely costly to ports. If ports don't provide the facilities as specified, USCBP is refusing to process cargo and/or passengers. Mr. Friedman noted that ports across the nation are very displeased with being forced to financially fund facilities for USCBP. Through the AAPA (American Association of Port Authorities), ports are working together on legislation to stop the practice of making ports financially responsible for U.S. Customs facilities. Director McNair asked if there's a lease. Mr. LaPointe replied yes, it's a federal government boiler plate lease that outlines basic responsibilities. There is zero cost to USCBP associated with the lease. Director Wondolowski noted that Ozanne is a great company that's been invested in the community for years, and will build the project 100% Union.

On motion by Director Wondolowski, seconded by Director Jackson, and unanimously carried,

RESOLUTION NO. 2022-33

A RESOLUTION RATIFYING AND ACCEPTING \$1,020,933.00 IN OHIO DEPARTMENT OF TRANSPORTATION GRANT FUNDS AND AUTHORIZING AND APPROVING THE EXECUTION OF A GRANT AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION FOR THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY'S U.S. CUSTOMS & BORDER PROTECTION CARGO & ADMINISTRATIVE FACILITIES PROJECT

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

On motion by Director Wondolowski, seconded by Director McNair, and unanimously carried,

RESOLUTION NO. 2022-34

A RESOLUTION AUTHORIZING AND APPROVING THE PORT AUTHORITY TO ENTER INTO A CONTRACT WITH THE OZANNE CONSTRUCTION COMPANY FOR AN AMOUNT NOT TO EXCEED \$2,431,717.00, FOR THE PURPOSES OF CONSTRUCTING THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY'S U.S. CUSTOMS & BORDER PROTECTION CARGO & ADMINISTRATIVE FACILITIES AND AUTHORIZING THE EXPENDITURE OF FUNDS FROM MONIES THAT HAVE BEEN APPROPRIATED IN THE FY 2022 AND FY 2023 CAPITAL BUDGETS

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

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(a) – 2022 Operating Forecast

Chairman Holmes stated that he, Mr. Naso and Mr. Friedman met for several hours and were very thorough when going over the financials. Mr. Naso addressed the Board of Directors and referred to a presentation attached hereto as "**Exhibit C**".

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(b) – 2023 Operating Budget

Mr. Naso addressed the Board and referred to a presentation attached hereto as "**Exhibit D**". Mr. Friedman noted that the 4% salary/wage increase is a pool of money and isn't automatic. Its merit based and port performance and inflation are also factored. Director Wondolowski asked whether the port expects to spend an additional \$1 million for Irishtown Bend. Mr. Friedman replied yes, it's likely and that's what has been budgeted.

On motion by Director McNair, seconded by Director Thomas, and unanimously carried,

RESOLUTION NO. 2022-36

A RESOLUTION ADOPTING THE 2023 OPERATING BUDGET OF THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY FOR THE FISCAL YEAR BEGINNING
JANUARY 1, 2023

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

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(c) – 2023 Capital Budget

Mr. Naso addressed the Board and referred to a presentation attached hereto as “**Exhibit E**”.

Director McNair asked where IT services and cyber-security are captured in the budget. Mr. Naso replied its under “administrative services and other”. Most of the security software costs are covered in the Operating Budget under the service contract with TXI, the ports IT consultant. The organization benefitted this year because U.S. Customs conducted a cyber-security assessment which the port passed with flying colors.

On motion by Director McNair, seconded by Director Jackson, and unanimously carried,

RESOLUTION NO. 2022-37

A RESOLUTION ADOPTING THE 2023 CAPITAL BUDGET OF THE CLEVELAND-
CUYAHOGA COUNTY PORT AUTHORITY FOR THE FISCAL YEAR BEGINNING
JANUARY 1, 2023

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

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(d) – 2023 Appropriations

On motion by Director McNair, seconded by Director Zone Fisher, and unanimously carried,

RESOLUTION NO. 2023-38

A RESOLUTION TO MAKE APPROPRIATIONS FOR THE CURRENT EXPENSES AND
OTHER EXPENDITURES OF THE CLEVELAND-CUYAHOGA COUNTY PORT
AUTHORITY DURING THE PERIOD FROM JANUARY 1, 2023
THROUGH DECEMBER 31, 2023

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

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(e) – 2022 Revised Appropriations

On motion by Director McNair, seconded by Director Wondolowski, and unanimously carried,

RESOLUTION NO. 2022-39

A RESOLUTION TO AMEND APPROPRIATIONS FOR THE CURRENT EXPENSES AND
OTHER EXPENDITURES OF THE CLEVELAND-CUYAHOGA COUNTY PORT
AUTHORITY DURING THE PERIOD FROM JANUARY 1, 2022
THROUGH DECEMBER 31, 2022

was adopted. 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)(3)(a) – General Resolution Regarding Rate Transition from LIBOR to SOFR

Mr. Naso addressed the Board of Directors and referred to pages 23-25 of the Agenda.

On motion by Director McNair, seconded by Director Zone Fisher, and unanimously carried,

RESOLUTION NO. 2022-40

A RESOLUTION AUTHORIZING THE EXECUTION AND
DELIVERY OF AMENDMENTS RELATING TO THE
ELIMINATION OF THE LONDON INTERBANK OFFERED
RATE (LIBOR) AND AUTHORIZING AND APPROVING
RELATED MATTERS

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

PUBLIC COMMENT PERIOD – Non-Agenda Items

No public comment regarding non-agenda items.

EXECUTIVE SESSION

Chairman Holmes stated the Board would be entering Executive Session for the purposes of: (1) to consider the compensation of a public employee pursuant to R.C. 121.22(G)(1); and (2) to consider the purchase of property for a public purpose pursuant to R.C. 121.22(G)(2); and (3) to confer with the Port Authority's attorneys to discuss pending court action pursuant to R.C. 121.22(G)(3). Director Wondolowski was only present in Executive Session for the purpose of considering compensation of a public employee pursuant to R.C. 121.11(G)(1). Director Copeland did not participate in Executive Session.

On motion by Director Wondolowski seconded by Director Zone Fisher, and unanimously carried by roll call vote, the Board entered Executive Session at 10:07 a.m. The Board exited Executive Session at 11:08 a.m. and reconvened the meeting.

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 8(A) – Consideration of Resolution 2022-41



On motion by Director Wondolowski, seconded by Director Jackson, and unanimously carried,

RESOLUTION NO. 2022-41

A RESOLUTION AUTHORIZING AND APPROVING A BONUS FOR 2022 AND A SALARY FOR 2023 UNDER THE THIRD AMENDED AND RESTATED PERSONAL SERVICES AGREEMENT FOR WILLIAM D. FRIEDMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY AND PROVIDING FOR ESTABLISHMENT OF BENCHMARKS FOR 2023

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

On motion by Director Thomas, seconded by Director Jackson, the meeting was adjourned at 11:13 a.m.


CHAIR

Asst. SECRETARY

Strategic Plan Proposed Port Workshop Schedule

All workshops to occur after the regular business agenda of BOD meetings and in public session. BOD meetings for 2023 are scheduled for 9:00-11:00 AM.

November 10, 2022: Kick-off to the process, introduced consultants, discussed key steps, presented Economic Impact Report

February 9, 2023: Review community engagement process approach, review baseline financial and cargo market analysis

March 9, 2023: Discuss Climate Action Plan, Discuss Port DEI and socio-economic policies and initiatives, update on status of community engagement process

April 13, 2023: Review community engagement inputs and discuss implications

May 11, 2023: Review and provide feedback on draft 2023-2028 Strategic Plan policies, goals, and key metrics

June 8, 2023: Consider resolution adopting 2023-2028 Strategic Plan



Board of Directors

Budget & Administration Committee

December 15, 2022

Operating Budget

The Board of Directors is being requested to adopt Resolution 2022-36, a resolution adopting the 2023 Operating Budget of the Cleveland-Cuyahoga County Port Authority for the Fiscal Year beginning January 1, 2023.

Capital Budget

The Board of Directors is being requested to adopt Resolution 2022-37, a resolution adopting the 2023 Capital Budget of the Cleveland-Cuyahoga County Port Authority for the Fiscal Year beginning January 1, 2023.

2023 Appropriations

The Board of Directors is being requested to adopt Resolution 2022-38, a resolution to make appropriations for the current expenses and other expenditures of the Cleveland-Cuyahoga County Port Authority during the period from January 1, 2023 through December 31, 2023.

Appropriations Amendment

The Board of Directors is being requested to adopt Resolution 2022-39, a resolution to amend appropriations for the current expenses and other expenditures of the Cleveland-Cuyahoga County Port Authority during the period from January 1, 2022 through December 31, 2022.

Longer Interbank Offered Rate (LIBOR)

The Board of Directors is being requested to adopt Resolution 2022-40, a resolution authorizing the execution and delivery of amendments relating to the elimination of the Longer Interbank Offered Rate (LIBOR) and authorizing and approving related matters.

A blue-tinted photograph of a port scene. In the foreground, a large cargo ship is docked, with the name "FORTUNAGRACHT" visible on its side. The ship is loaded with numerous shipping containers. In the background, a city skyline is visible, featuring several tall buildings, including a prominent skyscraper on the left and a building with a distinctive tower on the right. The overall scene is industrial and urban.

PORT CLEVELAND



Board of Directors

Maritime Committee

December 15, 2022

USCBP Cargo & Administrative Facilities Project - Project History

- U.S. Customs & Border Protection (USCBP) requires ports to furnish and maintain facilities at no cost to Federal government
- Port Authority constructed cruise facility for USCBP in 2020
- USCBP has been working their cargo processing operation out of temporary facilities since 2014's start of Cleveland Europe Express container service
- USCBP requires additional permanent administrative space and improvements to existing operational areas
- Port Authority has been working with USCBP since 2020 on the design and approvals to construct these facilities



Above: General Cargo Terminal USCBP Cruise Facility

USCBP Cargo & Administrative Facilities Project – Project Location



USCBP Cargo & Administrative Facilities Project – Project Goals & Specifics

- PROJECT GOALS:
 - Utilize existing infrastructure and underutilized Port Authority space
 - Meet USCBP minimum program of requirements/specifications
 - Provide USCBP permanent administrative and cargo processing facilities
- MAJOR PROJECT ELEMENTS
 - Split lower level 1100 building into two distinct lease areas consisting 2800 sf USCBP Administrative Space & 2000 sf white box tenant lease area.
 - General improvements 1100 building lower level parking lot
 - Warehouse 26 cargo operation facility and building improvements



Above: Interior USCBP Cruise Facility

USCBP Cargo & Administrative Facilities Project – Ohio Maritime Assistance Grant Program

- \$23M Competitive Grant Program in SFY 2022-2023 Operating Budget
- Administered: Ohio Department of Transportation
- Eligibility: Port Authorities Lake Erie, Ohio River, & Lake Erie Tributaries
- Grant Funding Goals: Repair, rebuild, and revitalize State maritime transportation system
- USCBP Cargo Facility Award:
 - \$870,933.00
 - \$150,000.00 Inflationary Cost Supplement
 - \$1,020,933.00 Total State OMAP Award

Ohio Maritime Assistance Program

Awards Round 1


Cleveland Cuyahoga County Port Authority

Dock 24 & 26 Master Modernization & Rehabilitation

LOCATION: General Cargo Terminal

PROJECT DESCRIPTION: This project will raise and keep Dock 24 in service for the next 20+ years and Dock 26W for the next 50+ years while also restoring berth discharge capacity. In addition, this project will install structural pavement to accommodate heavy cargo, raise and reconstruct the deteriorated ship to rail spur at Dock 24 and includes the completion of a fiber-optic communication loop within the Terminal building off of investments made at the main gate to improve communications and data collection allowing cargo to be more efficiently processed from within the terminal.

| Total Project Cost | Match | Award |
|--------------------|-------|---------|
| \$18.5M | \$11M | \$6.26M |




CUY-Ore Tunnel Extension Phase B

LOCATION: The General Cargo Terminal and the Cleveland Bulk Terminal

PROJECT DESCRIPTION: The Cleveland Bulk Terminal's Ore Conveyance Tunnel Extension project will expand the existing ore conveyance tunnel from 362' to 802'. This is the optimal length to accommodate 1000' inbound shipments of taconite while minimizing diesel equipment dependent re-handling activities, install infrastructure to segregate and blend two grades of taconite, improve worker safety and working conditions, update the outdated mechanical and electrical infrastructure.

| Total Project Cost | Match | Award |
|--------------------|---------|---------|
| \$4.77M | \$3.15M | \$1.62M |



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USCBP Cargo & Administrative Facilities Project – Budget Sources & Uses

| DESIGN ARCHITECT SERVICES CONTRACT (PORT AUTHORITY) | CONSTRUCTION CONTRACT * | | | PORT FURNISHED IT, SERVERS, PRINTERS, & COMPUTERS | CONSTRUCTION OVERSIGHT, INSPECTION, & COMPLIANCE (PORT AUTHORITY) | ESTIMATED PROJECT TOTALS |
|--|------------------------------|---------------------------------------|--|--|--|--------------------------------|
| | OHIO MAP GRANT FUNDING | PORT AUTHORITY LOCAL FUNDING | PORT AUTHORITY CONSTRUCTION CONTINGENCY (5%) | | | |
| \$63,421 | \$1,020,933 | \$1,241,130 | \$169,654 | \$38,808 | \$0 (SELF PERFORM) | \$2,533,946 |

TOTALS:

STATE (40%) = \$1,020,933

PORT AUTHORITY (60%)= \$1,513,013

USCBP Cargo & Administrative Facilities Project – Multiple Authorizations

Recommendation A

The Board of Directors is being requested to approve Resolution 2022-33 authorizing the Port Authority to:

- 1) Ratify and accept Ohio Maritime Assistance Program (MAP) grant funding in the amount of \$1,020,933.00.*
- 2) Authorize and approve the execution of a Maritime Assistance Program Project Agreement with the Ohio Department of Transportation for the CUY-Port Authority USCBP Facility Project.*

USCBP Cargo & Administrative Facilities Project – Public Bid

- Ohio Revised Code Section 4582.12 Details Port Authority Procedures for Bidding & Contracting
- USCBP & State authorized to publicly bid Project in June 2022
- Port Authority's initial attempt to publicly bid Project yielded no responsive and responsible bids in summer 2022
- Port Authority re-issued public request for bids in early October 2022
- Port Authority received three (3) competitive bids from highly qualified construction management/general contracting firms on November 11th, 2022
- Port Authority conducted a bid debriefing interview with the apparent low bidder on November 22, 2022 to ascertain the responsiveness of bid and responsibility of bidder.
- Port Authority recommends awarding the Contract to the lowest responsive and responsible bidder, Ozanne Construction Company, Inc., in the amount of \$2,262,063.00.



USCBP Cargo & Administrative Facilities Project – Contract Specifics

- CONTRACT AMOUNT
 - Contract Value Award Amount = \$2,262,063
 - Port Authority Controlled Contingency (7.5%)= \$169,654
 - Total Not To Exceed = \$2,431,7174
- CONTRACT REQUIREMENTS
 - Ohio Maritime Assistance Program Grant Compliance & Assurances
 - 100% Prevailing Wage
 - 5% State EDGE (Encouraging Diversity, Growth & Equity Goal)
 - 15% MBE/FBE Goal Port Authority
 - OZZANE DBE PLAN @ BID:

| | |
|---------|--------|
| MBE | 23.35% |
| WBE/FBE | 13.79% |
| EDGE | 5.47% |
- SCHEDULE
 - Mobilization = Q1 2023
 - Final Completion = Q4 2023

USCBP Cargo & Administrative Facilities Project – Multiple Authorizations

Recommendation B

The Board of Directors is being requested to adopt Resolution No. 2022-34, authorizing the Port Authority to enter into a contract with the Ozanne Construction Company, Inc. for an amount not to exceed \$2,431,717 for the purposes of constructing the Port of Cleveland's U.S. Customs & Border Protections Cargo & Administrative Facilities and authorizing the expenditure of funds from monies appropriated in the FY 2022 and FY 2023 Capital Budgets.

Dock 20N Cargo Diversification Project – Design Professional Services Agreement

Port Authority has identified several projects in 5-year Capital Improvement Program, consistent w/ Port Development Plan, targeted to enhance the movement containerized cargo through the Port's General Cargo Terminal



Above: Containers handling on Dock 22 w/ bulk cargo on Dock 20N

Dock 20N Cargo Diversification Project— Project Goals & Specifics

- Perform container modeling exercises to evaluate container storage and throughput capacity of Docks 20N & 22N
- Standardized operation for the stacking and throughput of loaded and empty containers across Docks 20N & 22N in current and future states
- Evaluate current means and methods for handling & processing containerized cargo and make recommendations on future capital improvement and investments, including the recommended sighting of a fixed radiation portal monitoring station
- Develop PS&E package for the Dock 20N Cargo Diversification Project required to efficiently handle containerized cargo across Docks 20N & 22N as one common operation.



Above: Reach Stackers Handling Container Dock 22

Dock 20N Cargo Diversification Project – Project Location



Dock 20N Cargo Diversification Project– Public Qualifications Based Contracting Process

- Port Authority complies with Section 153 of the Ohio Revised Code establishing the requirements for the evaluation and selection of professional design service firms
- Port Authority developed and publicly released a request for Statement of Qualifications with detailed evaluation criteria used to score the professional design service firms/teams based upon the following:
 - Firms/Personnel Experience Designing Container Terminals
 - Firms/Personnel Experience w/ Port of Cleveland
 - Firms/Personnel General Qualifications
 - Project & Scope of Work Understanding
 - Personnel & Resource Availability to Support Compressed Schedule
- Port Authority received 2 EA. Statement of Qualifications submissions from national design service firms supported by a team of Ohio based design service firms
- Port Authority recommends the awarding the Contract to the most highly qualified team of design service firms lead by WSP USA, Inc. in the amount of \$319,104.00.



Dock 20N Cargo Diversification Project Professional Design Services– Contract Specifics

- CONTRACT AMOUNT
 - Contract Value Award Amount = \$319,104.00
 - Port Authority Controlled Contingency (10%)= \$31,910.00
 - Total Not To Exceed = \$351,014.00
 - Capital Budget Funding Years = 2022 & 2023
- CONTRACT REQUIREMENTS
 - 30% MBE/FBE Goal Port Authority
 - WSP DBE BASE FEE PLAN: MBE 27.1%
WBE/FBE 15.5%



- COMPRESSED SCHEDULE
 - Commencement of Work: December 15th, 2022
 - Final Dock 20N PS&E Package Due Port Authority: March 30, 2023 **(HOLD)**
 - Dock 22N & 20N Container Yard Planning Deliverables: June 2023

Dock 20N Cargo Diversification Project Professional Design Services Contract

Recommendation

The Board of Directors is being requested to approve Resolution 2022-35 authorizing the Port Authority to enter into a contract with WSP USA, Inc. in the amount not to exceed \$351,014.00 for professional design services related to the Dock 20N Cargo Diversification Project and authorizing the expenditure of funds from monies appropriated in the FY 2022 & FY 2023 Capital Budgets.

A blue-tinted photograph of a port scene. In the foreground, a large cargo ship is docked, with the name "FORTUNAGRACHT" visible on its side. The ship is loaded with numerous shipping containers. In the background, a city skyline is visible, featuring several tall buildings, including a prominent skyscraper on the left and a building with a distinctive tower on the right. The overall scene is industrial and urban.

PORT CLEVELAND

Cleveland-Cuyahoga County Port Authority
2022 Forecast
2022 Budget to 2022 Forecast Bridge

| | Year Over Year Changes | | | | | | | 2022 Forecast | \$ Change | % Change |
|--|------------------------|------------------|------------------|-------------------------|------------------------|--------------------|------------------|--------------------|--------------------|---------------|
| | 2022 Budget | Financing Fee | Sediment Mngt | Maritime CBT & Liner | Salary and Benefits | Grants | Other | | | |
| Operating Revenues: | | | | | | | | | | |
| Wharfage, dockage and user fees | 1,680,187 | | | | | | (14,918) | 1,665,269 | (14,918) | -0.9% |
| Property lease and rentals | 1,742,466 | | | 53,000 | | | 15,399 | 1,810,865 | 68,399 | 3.9% |
| Financing fee income | 981,116 | 547,396 | | | | | 0 | 1,528,512 | 547,396 | 55.8% |
| Foreign trade zone fees | 82,500 | | | | | | - | 82,500 | - | 0.0% |
| Sediment management fees | 3,426,000 | | 313,538 | | | | (0) | 3,739,538 | 313,538 | 9.2% |
| Parking revenues | 130,000 | | | | | | 8,939 | 138,939 | 8,939 | 6.9% |
| Contributions and other revenue | 222,000 | | | 73,991 | | | 0 | 295,991 | 73,991 | 33.3% |
| Total operating revenues | 8,264,269 | 547,396 | 313,538 | 126,991 | - | - | 9,421 | 9,261,615 | 997,346 | 12.1% |
| Operating Expenses: | | | | | | | | | | |
| Salaries and benefits | 3,869,529 | | | | 67,742 | | - | 3,801,787 | 67,742 | 1.8% |
| Professional services | 995,336 | | | | | | (157,144) | 1,152,480 | (157,144) | -15.8% |
| Sustainable infrastructure | 1,199,766 | | | | | 100,000 | (1,101,756) | 2,201,522 | (1,001,756) | -83.5% |
| Cost of sediment management operations | 1,617,463 | | 127,076 | | | | 0 | 1,490,387 | 127,076 | 7.9% |
| Port Community Impact Fund | 393,341 | | | | | | 218,341 | 175,000 | 218,341 | 55.5% |
| Facilities, maintenance and taxes | 1,038,814 | | | | | | (202,793) | 1,241,607 | (202,793) | -19.5% |
| Marketing and communications | 832,350 | | | | | | 278,685 | 553,665 | 278,685 | 33.5% |
| Office expense | 144,614 | | | | | | 43,310 | 101,304 | 43,310 | 29.9% |
| Business expense | 271,897 | | | | | | 61,202 | 210,695 | 61,202 | 22.5% |
| Total operating expenses | 10,363,110 | - | 127,076 | - | 67,742 | 100,000 | (860,154) | 10,928,447 | (565,336) | -5.5% |
| Operating profit/(loss) before depreciation | (2,098,841) | 547,396 | 440,614 | 126,991 | 67,742 | 100,000 | (850,733) | (1,666,832) | 432,010 | 20.6% |
| Depreciation expense | 2,821,477 | | | | | | (5,853) | 2,827,330 | (5,853) | -0.2% |
| Operating profit/(loss) after depreciation | (4,920,318) | 547,396 | 440,614 | 126,991 | 67,742 | 100,000 | (856,587) | (4,494,162) | 426,156 | 8.7% |
| Nonoperating revenues (expenses): | | | | | | | | | | |
| Property tax receipts | 3,150,000 | | | | | | 52,568 | 3,202,568 | 52,568 | 1.7% |
| Income from investments | 254,060 | | | | | | 57,218 | 311,278 | 57,218 | 22.5% |
| Interest expense | (168,518) | | | | | | - | (168,518) | - | 0.0% |
| Non-capital grant revenue | 3,000,000 | | | | | (3,000,000) | | - | (3,000,000) | -100.0% |
| Port Infrastructure Development Grant Study | (3,500,000) | | | | | 3,500,000 | | - | 3,500,000 | -100.0% |
| Other-net | (150,114) | | | | | | 114 | (150,000) | 114 | 0.1% |
| Total nonoperating revenues - net | 2,585,428 | - | - | - | - | - | 609,900 | 3,195,328 | 609,900 | 23.6% |
| Change in net position b/f other items | (2,334,890) | 547,396 | 440,614 | 126,991 | 67,742 | 100,000 | (246,687) | (1,298,834) | 1,036,056 | 44.4% |
| Capital grants and contributions | 19,311,144 | | | | | (4,983,656) | - | 14,327,488 | (4,983,656) | -25.8% |
| Change in net position | 16,976,254 | 547,396 | 440,614 | 126,991 | 67,742 | (4,883,656) | (246,687) | 13,028,654 | (3,947,600) | -23.3% |
| Pass through grants & other financing receipts | 23,813,610 | | | | | | | 983,112 | (22,830,498) | -95.9% |
| Pass through grants & other financing expenditures | (23,813,610) | | | | | | | (986,673) | 22,826,937 | -95.9% |
| Change in net position | 16,976,254 | 547,396 | 440,614 | 126,991 | 67,742 | (4,883,656) | (246,687) | 13,025,093 | (3,951,161) | -23.3% |

*Note: \$250,000 reclassified to Marketing & Communications budget from Non-Capital Grant & PIDP Grant Study

Cleveland-Cuyahoga County Port Authority
2023 Budget
2022 Forecast to 2023 Budget Bridge

Exhibit A

| | Year Over Year Changes | | | | | | | 2023 Budget | \$ Change | % Change |
|--|------------------------|------------------|------------------|----------------|---------------------|--------------------|------------------|--------------------|--------------------|---------------|
| | 2022 Forecast | Financing Fee | Sediment Mgmt | Maritime CBT | Salary and Benefits | Grants | Other | | | |
| Operating Revenues: | | | | | | | | | | |
| Wharfage, dockage and user fees | 1,665,269 | | | 479,772 | | | (0) | 2,145,041 | 479,772 | 28.8% |
| Property lease and rentals | 1,810,865 | | | 119,074 | | | 0 | 1,929,939 | 119,074 | 6.6% |
| Financing fee income | 1,528,512 | (572,999) | | | | | (0) | 955,513 | (572,999) | -37.5% |
| Foreign trade zone fees | 82,500 | | | | | | 5,000 | 87,500 | 5,000 | 6.1% |
| Sediment management fees | 3,739,538 | | 824,212 | | | | 0 | 4,563,750 | 824,212 | 22.0% |
| Parking revenues | 138,939 | | | | | | 61 | 139,000 | 61 | 0.0% |
| Contributions and other revenue | 295,991 | | | (65,991) | | | (0) | 230,000 | (65,991) | -22.3% |
| Total operating revenues | 9,261,615 | (572,999) | 824,212 | 532,855 | - | - | 5,060 | 10,050,743 | 789,128 | 8.5% |
| Operating Expenses: | | | | | | | | | | |
| Salaries and benefits | 3,801,787 | | | | (363,410) | | - | 4,165,197 | (363,410) | -9.6% |
| Professional services | 1,152,480 | | | | | | (122,846) | 1,275,326 | (122,846) | -10.7% |
| Sustainable infrastructure | 2,201,522 | | | | | | 52,971 | 2,148,551 | 52,971 | 2.4% |
| Cost of sediment management operations | 1,490,387 | | (593,226) | | | | (0) | 2,083,613 | (593,226) | -39.8% |
| Port Community Impact Fund | 175,000 | | | | | | (95,454) | 270,454 | (95,454) | -54.5% |
| Facilities, maintenance and taxes | 1,241,607 | | | | | | (31,113) | 1,272,720 | (31,113) | -2.5% |
| Marketing and communications | 553,665 | | | | | | (119,085) | 672,750 | (119,085) | -21.5% |
| Office expense | 101,304 | | | | | | (8,804) | 110,108 | (8,804) | -8.7% |
| Business expense | 210,695 | | | | | | (45,950) | 256,645 | (45,950) | -21.8% |
| Total operating expenses | 10,928,447 | - | (593,226) | - | (363,410) | - | (370,281) | 12,255,364 | (1,326,917) | -12.1% |
| Operating profit/(loss) before depreciation | (1,666,832) | (572,999) | 230,986 | 532,855 | (363,410) | - | (365,221) | (2,204,620) | (537,789) | -32.3% |
| Depreciation expense | 2,827,330 | | | | | | 468,604 | 3,295,934 | (468,604) | -16.6% |
| Operating profit/(loss) after depreciation | (4,494,162) | (572,999) | 230,986 | 532,855 | (363,410) | - | (833,825) | (5,500,554) | (1,006,393) | -22.4% |
| Nonoperating revenues (expenses): | | | | | | | | | | |
| Property tax receipts | 3,202,568 | | | | | | (2,568) | 3,200,000 | (2,568) | -0.1% |
| Income from investments | 311,278 | | | | | | 245,222 | 556,500 | 245,222 | 78.8% |
| Interest expense | (168,518) | | | | | | 13,285 | (155,233) | 13,285 | 7.9% |
| Non-capital grant revenue | - | | | | | | - | - | - | 0.0% |
| Port Infrastructure Development Grant Study | - | | | | | | - | - | - | 0.0% |
| Other-net | (150,000) | | | | | | 150,000 | - | 150,000 | -100.0% |
| Total nonoperating revenues - net | 3,195,328 | - | - | - | - | - | 405,939 | 3,601,267 | 405,939 | 12.7% |
| Change in net position b/f other items | (1,298,834) | (572,999) | 230,986 | 532,855 | (363,410) | - | (427,885) | (1,899,287) | (600,453) | -46.2% |
| Capital grants and contributions | 14,327,488 | | | | | (8,987,741) | - | 5,339,747 | (8,987,741) | -62.7% |
| Change in net position bf pass-through grants & other financing | 13,028,654 | (572,999) | 230,986 | 532,855 | (363,410) | (8,987,741) | (427,885) | 3,440,460 | (9,588,194) | -73.6% |
| Pass through grants & other financing receipts | 983,112 | | | | | | 20,831,888 | 21,815,000 | 20,831,888 | 2119.0% |
| Pass through grants & other financing expenditure | (986,673) | | | | | | (20,828,327) | -21,815,000 | 20,828,327 | -2111.0% |
| Change in net position | 13,025,093 | (572,999) | 230,986 | 532,855 | (363,410) | (8,987,741) | (424,324) | 3,440,460 | (9,584,633) | -73.6% |

Cleveland-Cuyahoga County Port Authority

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To-be Adopted 12.15.2022

International Terminal Operations

| <u>Proj No.</u> | <u>Project Description</u> | <u>2023</u> |
|-----------------|---|------------------|
| OPS-23-A | Last Mile Fiber Connectivity & Paperless Cargo Processing: Design | 150,000 |
| OPS-23-B | WHA North Elevation, East Overhead Door Replacement | 48,000 |
| OPS-23-C | Warehouse 26 Gutters & Downspouts | 30,000 |
| OPS-23-D | Dock 28W Cruise Ship Fender Replacement: Planning & Design | 100,000 |
| OPS-23-E | Dock 28W High Mast LED Light Conversion | 6,000 |
| OPS-23-F | Snow Plow F-250 Maintenance Truck | 6,000 |
| OPS-23-H | Billet Yard Historic Truck Scale Table Removal | 40,000 |
| OPS-23-I | Contingency/Miscellaneous | 25,000 |
| | International Terminal Operations Subtotal | 405,000 |
| | Less: Federal/State Share | (150,000) |
| | CCCPA Share of Costs - International Terminal Operations | 255,000 |

Dock 24/26W Master Modernization & Rehabilitation Project

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|--|------------------|
| GCD-19-B | Bulkheading & Maritime Improvements: Construction | 2,928,139 |
| GCD-19-C | Bulkheading & Maritime Improvements: Inspection | 100,000 |
| | Dock 24/26W Rehabilitation Subtotal | 3,028,139 |
| | Less: Federal/State Share | (497,784) |
| | CCCPA Share of Costs - Dock 24/26W Rehabilitation | 2,530,355 |

Terminal Electrification & Warehouse A Modernization Project

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|--------------------|
| WHA-23-A-01 | Terminal Electrification & Warehouse A Modernization: Planning & Design | 1,000,532 |
| | Terminal Electrification & WHA Modernization Subtotal | 1,000,532 |
| | Less: Federal/State Share | (1,000,532) |
| | CCCPA Share of Costs - Electrification & WHA Modernization | - |

Cleveland Bulk Terminal Operations

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|------------------|
| CTO-22-A-01 | Security & Communication Enhancements: Design | 125,000 |
| CTB-22-A-02 | Security & Communication Enhancements: Construction | 200,000 |
| CTO-23-A | C-1 Soft Start Emergency Bypass Controls | 16,000 |
| CTO-23-B | Motor Control Center Roof & HVAC Replacement | 25,000 |
| CTO-23-C | Contingency/Miscellaneous | 25,000 |
| | Cleveland Bulk Terminal Operations | 391,000 |
| | Less: Federal/State Share | (200,000) |
| | Less: Private Share | (8,000) |
| | CCCPA Share of Costs - CBT Terminal Operations | 183,000 |

CBT Ship Loader & Ore Tunnel Modernization & Cargo Diversification Project

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|--|------------------|
| HOT-23-01 | Historic Ship Loader & Ore Tunnel Modernization: Design | 500,000 |
| | CBT Ship Loader & Ore Tunnel Modernization | 500,000 |
| | Less: Private/Other Share | (125,000) |
| | CCCPA Share of Costs - Ship Loader & Ore Tunnel Modernization | 375,000 |

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Dock 20N Cargo Diversification Project

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|--|--------------------|
| DCD-22-A-01 | Dock 20N Cargo Diversification Project: Planning & Design | 350,000 |
| DCD-22-A-02 | Dock 20N Cargo Diversification Project: Construction | 4,058,125 |
| DCD-22-A-03 | Dock 20N Cargo Diversification Project: Inspection | 37,750 |
| | Dock 20N Cargo Diversification Subtotal | 4,445,875 |
| | Less: Federal/State Share | (1,887,500) |
| | CCCPA Share of Costs - Dock 20N Cargo Diversification | 2,558,375 |

42.5%

USCBP Administrative & Cargo Processing Facility Project

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|--------------------|
| CPF-20-01 | USCBP Cargo Processing: Design | 5,000 |
| CPF-20-02 | USCBP Cargo Processing: Construction | 2,455,271 |
| CPF-20-03 | USCBP Cargo Processing: IT & Computers | 38,808 |
| | USCBP Cargo Processing Facility Subtotal | 2,499,079 |
| | Less: Federal/State Share | (1,020,933) |
| | CCCPA Share of Costs - USCBP Cargo Processing Facility | 1,478,146 |

40.9%

1100 West 9th St. Building

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|----------------|
| W9-23-A | Third Floor Large Conference Room Office Modifications | 180,000 |
| W9-23-B | Lower Level Board Room Cameras & Remote Conference Enhancements | 20,000 |
| W9-23-C | Office Phone System Replacement | 15,000 |
| W9-23-D | Third Floor Server Room HVAC Modifications | 20,000 |
| W9-23-E | Contingency/Miscellaneous | 10,000 |
| | CCCPA Share of Costs - 1100 West 9th Street | 245,000 |

Sediment Processing & Management Facilities

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|------------------|
| SPC-22-A-01 | 2024-2025 Capacity Mechanical Berm Raising: Design | 30,000 |
| SPC-22-A-02 | 2024-2025 Capacity Mechanical Berm Raising: Construction | 1,506,801 |
| SPC-23-A | Access Road Improvements: Design | 40,000 |
| SPC-23-B | Contingency/Miscellaneous | 15,000 |
| | CCCPA Share of Costs - Sediment Processing & Management Facility | 1,591,801 |

Cleveland Lakefront Nature Preserve

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|---|----------------|
| LNP-23-A | New Entrance & Misc. Improvements | 125,000 |
| LNP-23-B | Contingency/Miscellaneous | 5,000 |
| | CCCPA Share of Costs - Cleveland Lakefront Nature Preserve | 130,000 |

Administrative & Other

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|--|------------------|
| ADM-23-A | Computers and Server Upgrades | 5,000 |
| ADM-23-B | Asset Management Software & Inspection Data Collection Tools | 40,000 |
| ADM-23-C | Office Employee Pool Car SUV | 60,000 |
| ADM-23-D | Cleveland Harbor Electrified Cargo Shuttle Feasibility Study | 500,000 |
| ADM-23-E | W. 3rd Public Parking Lot Future Improvements: Planning & Prelim. Design | 75,000 |
| | USCBP Cargo Processing Facility Subtotal | 680,000 |
| | Less: Private/Other Share | (450,000) |
| | CCCPA Share of Costs - USCBP Cargo Processing Facility | 230,000 |

66.2%

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Flotsam & Jetsam

| <u>Proj No.</u> | <u>Project Description</u> | |
|-----------------|--|---------------|
| F&J-23-A | Electric Battery Propulsion Conversion Planning & Design | 20,000 |
| F&J-23-B | Work Barge Rebuild | 20,000 |
| F&J-23-C | Generator for Crane | 15,000 |
| F&J-23-D | Contingency/Miscellaneous | 5,000 |
| | CCCPA Share of Costs - Flotsam & Jetsam | <u>60,000</u> |

Summary

| <u>Proj No.</u> | <u>Project Description</u> | <u>2023</u> |
|-----------------|--|--------------------------|
| OPS | International Terminal Operations | 405,000 |
| GCD | Dock 24/26W Master Modernization & Rehabilitation | 3,028,139 |
| WHA | Terminal Electrification & Warehouse A Modernization | 1,000,532 |
| CTO | Cleveland Bulk Terminal Operations | 391,000 |
| HOT | CBT Ship Loader & Ore Tunnel Modernization & Cargo Diversity | 500,000 |
| DCD | Dock 20N Cargo Diversification | 4,445,875 |
| CPF | USCBP Cargo Processing Facility | 2,499,079 |
| W9 | 1100 West 9th Building | 245,000 |
| SPC | Sediment Processing & Management Facilities | 1,591,801 |
| LNP | Cleveland Lakefront Nature Preserve | 130,000 |
| ADM | Administrative & Other | 680,000 |
| F&J | Flotsam & Jetsam | 60,000 |
| | Summary Subtotal | <u>14,976,426</u> |
| | Less: Federal/State Share | <u>31.8%</u> (4,756,749) |
| | Less: Private/Other Share | <u>3.9%</u> (583,000) |
| | CCCPA Share of Costs | <u>64.3%</u> 9,636,677 |