OHIO COUNTY DEVELOPMENT AUTHORITY
06/16/2022

The Ohio County Development Authority met in regular session on Thursday, June 16, 2022, at 6:00 p.m. at the Highlands Event Center.

Present at the meeting was Zach Abraham, Jeff Doyle, Raymond Helbling, Eriks Janelsins, Jim Murray, Secretary Mary Pockl, Randel Russell, Tanner Russell, Erikka Storch, Solicitor Don Tennant, staff members Brian Taylor and Cody Koehler.

Zach Abraham made a motion to approve minutes from the April 16, 2022, and the May 23, 2022, Ohio County Development meetings. Second by Ray Helbling. Motion carried with all voting in favor.

FINANCIAL REPORTS

Treasurers Report

OCDA Finance Director Cody Koehler reported everyone on the board has a copy of the treasurer's report following the same format as the past months. This shows from the end of March bank balance to the current bank balance, net cash available with current AP bills, debt service and other items factored out. He asked that everyone please review. Zach Abraham asked do we still have those bank accounts as residuals. OCDA Finance Director Cody Koehler reported that BB & T does have a letter of credit on some of the properties up here that we are working on to try to resolve. Ray Helbling made a motion to approve the Treasurers report. Second by Zach Abraham. Motion carried with all voting in favor.

2020-21 Audit

OCDA Finance Director Cody Koehler reported that next you should have two other handouts, one is the full official audit report, the other is a copy of the audit wrap up. OCDA Finance Director Cody Koehler explained that there were a few adjustments throughout the audit process, but they were immaterial in the grand scheme of things, mainly related to reclassifications for reporting. He reported on two things worth noting at the back of the report there were two findings from the audit. The first one relates to a debt covenant coverage requirement that was on power center B, which is the building that only has three tenants. That building itself had to have enough rent income each year to cover the debt service so even though it only had one tenant obviously it failed that coverage, but we have since refinanced those loans. The second finding relates to the Sports Complex, and essentially due to the size of the staffing over there, their accounting manager ultimately performs a decent amount of the accounting functions and can generate some other reports involved in the accounting function. The account manager can also do bank deposits, and most organizations that don't have more than fifteen, twenty people and the administration team has this kind of finding. He has also talked to SFM management and trying to evaluate ways to correct this going forward. This will likely be received again next year, now that we are eleven and a half months into the current year, but he said it will be corrected going forward. Zach Abraham made a motion to approve the audit report. Second by Tanner Russell. Motion carried with all voting in favor. Randel Russell reported that he wanted to let everyone know the audit was delayed this year because of our refinancing process with the banks. Now that is all resolved he

feels in August of this year he can call the State Auditors office and have them come in and be finished by December 31, 2022.

OCDA 2021-22 and 2022-23 Operating Budget

OCDA Finance Director Cody Koehler reported that you have the budget for the next fiscal year and an estimate year to date. The middle column is the current year, and the far right is the audit information that was just released.

This shows the leases, perspective tenants and leases that are in process now for construction. A few other items to note are the sales and services or any other charge that is done up here so the operating costs that we charge back to tenants, services that the work crew performs up here or tenants that have requests for the County, those are within the sales and service line. Going down to expenses, one of the things to note is the decrease in administrative in general is primarily driven from the refinancing fees and the lease commission costs and legal fees that go into placing some of these tenants. Zach Abraham made a motion to approve the operating budget.

Second by Tanner Russell. Motion carried with all voting in favor. Randy Wharton thanked Brian Taylor and OCDA Finance Director Cody Koehler for this Operating Budget paperwork.

HSC 2021-22 Tear to Date Performance

OCDA Finance Director Cody Koehler reported on the Sports Complex. There is some information there about activities at the complex. Then he explained Sports Utilities Rentals and some other categories. Harvey Greenridge, the Manager of the Highlands Sports Complex spoke. He reported as we end the fiscal year stated we are looking pretty good to what we expected it to be for this year. Looking at how were going to improve for next year and bring in more revenue. We're looking for more tournaments on the weekends where we had open space available. Hopefully holding some expos, to bring additional revenues in. Birthday parties has been a great revenue for the facility. On the arcade side it looks good, but we are looking for programs, like a climbing club or something like that to boost the numbers in that area. Also, hopefully next year doing summer camps and working closely with parks and recreation. Today were running a basketball league. Hoping to work with them a lot in the future and working with the local schools. There was a big surge in May with the schools being out. He reported that he was having a problem with staffing, mainly on the marketing side. He did explain that next year he will have a new source of revenue with a Pro Shop. Instead of these tournaments bringing in a third party to sell shirts, etc. they are going to take over that revenue themselves.

Solicitor Don Tennant asked Mr. Greenridge how many events in the past twelve months were occupied by the big tournaments and how many weekends in the future twelve months are going to be occupied by the big tournaments like thirty teams or more on the weekends. Mr. Greenridge reported that at the end of January we started those tournaments so every weekend since then we had one or two tournaments in the building. He is looking to start earlier this year beginning in September, including, wrestling, and basketball, also ten softball tournaments are already set up for next year. Solicitor tenant asked Mr. Greenridge about if they were going to have Division II and III tournaments here as was spoken about when this building was being built. Mr. Greenridge explained there is not enough courts or seating of those types of divisions. He is looking into getting some flooring that could be placed on the turf for additional courts. He is trying to get more cheerleading competitions here at the complex also. Solicitor Tennant asked if they were trying to essentially coordinate or sell team email information to our vendors at the highlands like the restaurants for preordering them food. He is wondering if we

are at that level yet. He reported maybe they could get a percentage form the sales of the food. Solicitor Tennant also brought up the surcharges on hotel rooms. Jim Murray reported that he had received three phone calls about a lady's basketball tournament that was held up there. The issue became the conversation about housing amongst the businesses up here and if I'm a parent from out of town and my daughter or my son is coming to basketball camp or a tournament, is that handled within that group, or the Sports Complex or the facility. What happened was when some parents called to get rooms, they were told it was $400.00 a night and they went to St. Clairsville with the whole team. Harvey Greenridge reported there is no hotels up here that charge $400.00 a night, but we tell the hotels we want that $100, $110, $120 a night and our hotels want to be full. Jim Murray asked should they manage it upon themselves or reach out to the Sports Complex. Mr. Greenridge stated they should be calling Event Connect that allows groups. Solicitor Tennant asked Mr. Greenridge about umpires, referee training in the future at the complex? He has spoken with a gentleman that does go to sports complexes all over and does training. Solicitor Tennant asked how valuable would it be to your facility to have ten turf baseball, and softball fields be from May to October? He reported that if he had those, he could have booked twenty to thirty tournaments already. Zach Abraham made a motion to approve the Highlands Sports Complex budget. Second by Tanner Russell. Motion carried with all voting in favor.

President Wharton asked Brian Taylor to speak on a discussion a year or so ago about your idea of how our employee's doing maintenance on the properties. There are some properties that we own and there is maintenance on properties that we do not own. Brian Taylor reported that we used to help all in the past. Since last year we when they call in and if we do not own the property then we let them know we can come fix this for you but there will be a charge, most realize that we do it for a lot less than calling in someone else. A lot of plumbing, lights, some work at the PSD and the Ohio County Animal Shelter to bring costs down, etc. Brian Taylor has a spreadsheet that shows what all we have done. He explained the contractor for Jersey Mikes was having issues finding workers, so he came to us asking for our help, and the person from the Sports Clips also needed some additional help.

STAFF REPORTS

Common Area Maintenance-Update

Brian Taylor reported on the day-to-day business. Of course, it is grass cutting season, and they started doing some line spraying at building three, some parking lot repairs. Grass cutting is keeping us busy. Painting lines on the lots and taking care of them. He reported their working on maintenance of Lane Bryant and Lucky Duck. On construction we have two spaces waiting for the tenants to come in. He stated they are working at the Sports Complex on the storage area. It has been hard getting brick to match.

UNFINISHED BUSINESS

The Highlands Master Planning Update-Bohler

Randel Russell reported that on May 31, 2022, the Planning Use and Growth Committee met with Mike Taggats from Bohler at the Event Center. Jeff Doyle stated the main bullet points were the maximizing of the Sports Complex, the beautification of the Highlands signage. Brian Taylor stated they were talking about the areas where shoppers could walk to and from stores and restaurants, mainly in the area where Penney's begins what they call the south end. Zach Abraham asked if they talked about any green

space. Randel Russell reported that he did not come here with the preconceived notion, it was more of an open conversation and sharing of ideas. He can add that to the next session.

OCDA Bylaws Amendments

Randel Russell reported that next on the agenda is the updated OCDA bylaws. He has reviewed with Mr. Janelsins, Mr. Tennant and Mr. Nickerson, this is the document that they have agreed upon. Zach Abraham asked if there are any material changes from last meeting. Mr. Russell reported that he changed the area where the meeting notice requirements for the members. Solicitor Don Tennant reported mainly the notice for the executive committee meetings, and time frame. Randel Russell explained some changes in Article 5 of the bylaws. He explained that a clarification that we made was that the executive committee would consist of the officers of the organization and a County Commissioner, but it did not take into consideration what would occur if a County Commissioner was an officer, so we clarified that in article 5. Basically, if a County Commissioner is an officer than another board member would be appointed to the executive committee to keep it at five. Zach Abraham made a motion to accept the amended OCDA bylaws. Second by Jim Murray. Motion carried with all voting in favor.

Appoint One member to Executive Committee- Jim Murray stated he would like to be on the Executive Committee. President Wharton made a motion to appoint Jim Murray to the Executive Committee. Second by Zach Abraham. Motion carried with all voting in favor.

Change In Lease Terms 4,500 sf Tenant in Power Center B.

Randel Russell asked that the board move into executive session to discuss consideration of Tenant and Property transaction. Second by Zach Abraham. Motion carried with all voting in favor. Zach Abraham made a motion to come out of executive session and go back into regular meeting. Second by Jim Murray. Motion carried with all voting in favor. President Wharton reported there are no actions items to come out of executive session.

President Wharton adjourned the OCDA meeting.

President, Randy Wharton

Secretary, Mary Pockl