

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

Mike DeWine
Governor

Members

James S. Simon
Chairman

Michael H. Keenan
Vice-Chairman

Ted Celeste
Michael F. Curtin

Ex Officio

Lance D. Himes, Interim Director
Ohio Department of Health

Laurie Stevenson
Ohio Environmental Protection Agency

Executive Director
Christina O'Keeffe

Secretary-Treasurer
Christina O'Keeffe

Legal Counsel
Stephen J. Smith, Esq.

Programs
Project Development and Financing
Clean Air Resource Center

**The regular meeting of the *OHIO AIR
QUALITY DEVELOPMENT AUTHORITY* will
be held on **Tuesday, June 9, 2020 at 10:00 am**
via video conference.**

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current state of emergency and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

*To access the meeting by video, choose this link:
[Join Microsoft Teams Meeting](#)*

To access the meeting by telephone, dial: 614.721.2972,,924 479 602#

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OHIO AIR QUALITY DEVELOPMENT AUTHORITY



TUESDAY, JUNE 9, 2020

TENTATIVE AGENDA

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current state of emergency and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

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1. Welcome and Introduction of Guests Chairman

2. Minutes May 12, 2020

3. Resolution 20-21 (Inducement) Petmin USA, Inc.

A resolution agreeing to issue revenue bonds of the State of Ohio to assist in the financing of the costs of the acquisition, construction and installation of Air Quality Facilities for the use of Petmin USA, Inc.

4. Resolution 20-22 (PDAF) Riverside 10, LLC

A resolution amending and restating resolution no. 19-20 authorizing the issuance and sale of Ohio Air Quality Development Authority Air Quality Revenue Bonds (Riverside 10, LLC Project), Series 2020 in the aggregate principal amount of not to exceed \$2,000,000 to assist Riverside 10, LLC in the financing of costs of "Air Quality Facilities" within the meaning of Chapter 3706, Ohio Revised Code; providing for the pledge of revenues for the payment of such bonds; and the execution and delivery of a bond purchase agreement, pledge agreements and the bond; and authorizing and approving related matters.

5. Resolution 20-23 (Administrative) Administrative Rules for Small
Business Assistance Program &
Open Meeting

6. Resolution 20-24 (Administrative)

Green Bonds

7. Executive Director's Report

Christina O'Keeffe

8. Adjournment

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

The regular meeting of the Ohio Air Quality Development Authority (“Authority”) was held remotely, on Tuesday, June 9, 2020 at 10:00 am.

As authorized through House Bill 197 as passed by the General Assembly and signed into law by Governor DeWine, the Authority conducted this meeting using online videoconferencing technology via Microsoft Teams in order to protect the public during the declaration of an emergency related to COVID-19 pandemic. A telephone number and videoconference link to the meeting was published on the Ohio Air Quality Development Authority website and distributed to persons of interest prior to the meeting and in compliance with Open Meeting Laws.

These are the minutes of the meeting.

The following members were present:

Jim Simon, Chairman
Michael Keenan, Vice Chairman
Michael Curtin
Ted Celeste

Ex-Officio members present:

Laura Factor, Ohio Environmental Protection Agency

Staff present:

Christina O’Keeffe, Executive Director
Sandra Langston, Administrative Manager
Dawn Pertner, Fiscal Officer
Brooke Grant, Manager of Planning & Projects
Gabe Lorenz, Customer Service Coordinator

General Counsel:

Stephen J. Smith, Frost Brown Todd

Guests present:

Mary Sullivan, Dinsmore & Shohl
Blake Beachler, Calfee
Jeff Haberl, Texas A&M
Susana Solentino, Donovan Energy
Laura Franke, Laura Franke LLC
Marisa Long, Inspire PR Group
Jess Ensley, Inspire PR Group

Rob McCarthy, Bricker & Eckler
Palmira Farinha, Petmin
Brendan Russell, Petmin
Andy Holzhauser, Donovan Energy
John Kirschner, GB Solutions
Madeline Fleischer, Dickinson Wright

This meeting of the Authority has been duly posted and given to all news media, organizations and other persons who requested such information in accordance and in full compliance with Chapter 3706-1 of the Ohio Administrative Code.

The Chairman called the meeting to order at 10:01 a.m.

1. The Chairman welcomed everyone.

The Chairman noted the meeting was being conducted through Microsoft Teams videoconferencing, in compliance with the Open Meetings Act and the administrative rules of the Authority.

General Counsel confirmed compliance with the Open Meetings Act, that a quorum was present, and that it remained an open, public meeting. General Counsel confirmed that the meeting was fully in compliance with state law.

Ms. Langston called the Roll:

Mr. Simon – Yea
Mr. Keenan - Yea
Mr. Celeste - Yea
Mr. Curtin - Yea
Ms. Factor – Yea
Mr. Phillips - Absent

Chairman Simon stated that the Authority would be explicit on which item was on the table for discussion or vote, and that he would recognize members and guests by name and title during discussions or ask them to introduce themselves. Additionally, he stated that roll call votes would be taken for each vote, and that if any member left the meeting it would be noted in the minutes. As part of the orientation to the meeting, the Chairman asked Gabe Lorenz and Sandra Langston to provide information about the Teams software and the ground rules for the meeting.

Ms. Langston announced all known guests and staff who were present on the meeting, and asked those not readily identifiable to introduce themselves.

2. Minutes – Regular business meeting May 12, 2020.

Mr. Keenan moved for approval of the minutes. Mr. Celeste seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Keenan - Yes
Mr. Curtin - Yes
Mr. Celeste - Yes
Ms. Factor - Yes

Motion passed. Minutes adopted.

3. Resolution 20-21 (Inducement)

Petmin USA, Inc.

A resolution agreeing to issue revenue bonds of the State of Ohio to assist in the financing of the costs of the acquisition, construction and installation of Air Quality Facilities for the use of Petmin USA, Inc.

Director O’Keeffe introduced this Resolution for Petmin USA, Inc. It is for an amount not to exceed \$300 million as part of a larger investment by the company of a new manufacturing facility totaling approximately \$523 million. The project is in Ashtabula and this portion of the project is focused on pollution control and mitigation equipment. Bond counsel will be Mary Sullivan of Dinsmore & Shohl and Issuer’s Counsel will be Blake Beachler of Calfee Halter & Griswold. Director O’Keeffe introduced Ms. Palmira Farinha of Petmin to present on the project.

Ms. Farinha thanked the Authority for the chance to appear before them. She noted that Petmin is a South Africa-based company, with most operations currently taking place in South Africa. Their focus is to provide materials into the metals industry with their new nodular pig iron facility on the Pinney Dock Terminal in Ashtabula. The Ashtabula facility will be well-situated logistically, and most of their customer base is located around the Great Lakes. She discussed the company’s partners in developing the facility, including engineering firms that designed the facility. She stated that their customer base is currently importing Nodular Pig Iron, and that their facility would be the first in the United States. She gave an overview of their process for converting iron ore pellets into nodular pig iron. She noted that they would be able to recycle CO₂, leading to massive efficiencies in the facility, and discussed the components involved in the Authority’s project. She stated that some of the equipment was originally going to be addressed later, but they were fast-tracking it so that it could be included in this request to the Authority.

She discussed the environmental benefits of the project, which include the significant savings from recycling CO₂, along with energy savings, emissions reduction through the use of a baghouse that is expected to exceed the EPA’s requirements, and other pollution control equipment. There is expected to be a 120,000-ton reduction in emissions from their CO₂ plant, which would be a seven percent reduction from blast furnaces. Their slag plant will use technologies to reprocess the slag for reuse, which is expected to reduce landfilled materials by 79,000 tons. She then gave an overview of the project, with equipment expected to lead to a reduction of 313,000 MMBTU per year, a reduction of 113 million kWh in energy usage, over 200,000 tons of CO₂ emissions reduced per year, and over 100,000 tons in solid waste recycled per year.

Ms. Farinha stated that customers in the United States currently import nodular pig iron, and that the material is key for the United States manufacturing industry. She noted that the company was working with JobsOhio to hire locally. She further outlined the engineering firms involved in design and construction of the facility. She described updates to their timeline due to COVID-19, along with the timeline for hiring. Finally, she showed a preview and renderings of the plant’s design.

Mr. Curtin moved to approve Resolution 20-21. Mr. Celeste seconded.

Roll call vote:

- Mr. Simon - Yes
- Mr. Keenan - Yes
- Mr. Curtin - Yes
- Mr. Celeste - Yes
- Ms. Factor - Yes

Motion passed. Resolution adopted.

A resolution amending and restating resolution no. 19-20 authorizing the issuance and sale of Ohio Air Quality Development Authority Air Quality Revenue Bonds (Riverside 10, LLC Project), Series 2020 in the aggregate principal amount of not to exceed \$2,000,000 to assist Riverside 10, LLC in the financing of costs of “Air Quality Facilities” within the meaning of Chapter 3706, Ohio Revised Code; providing for the pledge of revenues for the payment of such bonds; and the execution and delivery of a bond purchase agreement, pledge agreements and the bond; and authorizing and approving related matters.

Director O’Keeffe introduced the Resolution for Riverside 10, LLC. She stated that this Resolution amends the one passed in 2019 to allow the closing on the project’s financing to occur in 2020. This project’s scope did not change, which involves the replacement of HVAC equipment including boilers and chillers. The lender is CleanFund, who will utilize PACE (property assessed clean energy) to improve the three buildings in Marble Cliff.

Mr. Celeste moved to approve Resolution 20-22. Ms. Factor seconded.

Roll call vote:

Mr. Simon - Yes
 Mr. Keenan - Yes
 Mr. Curtin - Yes
 Mr. Celeste - Yes
 Ms. Factor - Yes

Motion passed. Resolution adopted.

5. Resolution 20-23 (Administrative)

Administrative Rules for Small Business Assistance Program & Open Meeting

Approving the adoption of amendments to Ohio Administrative Code Rules 3706-1-01 and 3706-2-01 and proposed rescission of Ohio Administrative Code Rules 3706-1-02.

Director O’Keeffe introduced this Resolution, which will approve the adoption of amendments to Ohio Administrative Code Rules 3706-1-01 and 3706-2-01, along with rescinding Ohio Administrative Code Rule 3706-1-02. She noted that Brooke Grant and Gabe Lorenz had been working on this process over the past several months, beginning with outreach to stakeholders and customers or potential customers of the Authority to gain an understanding and perspective on whether the rules were still working for the CARC program. She noted that the most important question was what the appropriate level of subsidy to incentivize a project to move forward, and stakeholder feedback was key to revising it. She stated that the grant subsidy level would be revised from 30 percent to 20 percent of the total project costs. Additionally, she noted that the other two rules came under review as part of the state’s Five-Year Review for rules, and the proposed amendments and rescission were focused around clarifying and consolidating the rules. She further described the rule-filing period, involving a public comment period with Common Sense Initiative (CSI), a public hearing, and then approval from the Joint Committee on

Agency Rule Review (JCARR) at their June 8 meeting. She noted that the Authority was working with CARC projects approved before the effective date of the new rules to offer them a grace period until December 31, 2020 to close on financing and install their equipment under the previous thresholds in place when they were approved, especially in light of situations facing businesses during the COVID-19 pandemic.

Discussion surrounded the specific changes to the Small Business Administration Fund rules since the specific rule text was not incorporated with the Resolution and materials distributed to the board. In consultation with general counsel, the Authority Members agreed that the proposed rules in final form shall be attached hereto as Exhibit A and incorporated in the resolution by reference.

Mr. Keenan moved to amend Resolution 20-23 to include the text of the rules as an exhibit to the Resolution. Ms. Factor seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Keenan - Yes
Mr. Curtin - Yes
Mr. Celeste - Yes
Ms. Factor - Yes

Motion passed. Resolution adopted.

Ms. Factor moved to approve Resolution 20-23 as amended. Mr. Celeste seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Keenan - Yes
Mr. Curtin - Yes
Mr. Celeste - Yes
Ms. Factor - Yes

Motion passed. Resolution adopted.

6. Resolution 20-24 (Administrative)

Green Bonds

Authorizing the Executive Director to execute an agreement with PFM Financial Advisors LLC to develop and coordinate the verification of Green Bonds Framework.

Director O’Keeffe introduced this Resolution, which follows up on the discussion from the May Authority meeting. It would allow PFM, serving as financial advisors to the Authority, to develop the Green Bonds Framework for the Authority and in accordance with the principles of the International Capital Market Association. She noted that the scope of services was attached as an exhibit to the Resolution. Progress will be reported to the board as needed.

Mr. Celeste moved to approve Resolution 20-24. Mr. Keenan seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Keenan - Yes
Mr. Curtin - Yes
Mr. Celeste - Yes
Ms. Factor - Yes

Motion passed. Resolution adopted.

7. Executive Director's Report

Director O'Keeffe reported to the Authority members that staff was continuing to follow the Governor's guidance during the pandemic, with all staff teleworking for the foreseeable future. She noted that the July meeting will be conducted via Microsoft Teams platform, with future months to be assessed as the situation continues to develop.

Director O'Keeffe shared an update on the program guidelines, which currently involves internal stakeholders. The project team is receiving great feedback and will continue to work on finalizing the guidelines for the board's approval. She also stated that educational sessions would be scheduled for board members. In other matters, the Director noted follow-up is occurring on projects, which have not yet closed, to determine if any assistance can be offered. The Authority is also working with stakeholders to assess communications strategies for the new administrative rules that will be effective July 1. Furthermore, she noted that there were good preliminary conversations with three or four potential projects, and that the Authority may be viewed as a possible resource to help businesses lower operational costs in their buildings, such as utilizing energy-efficiency to lower utility bills in these fixed assets.

As a follow-up to the presentation from Inspire PR Group at the May Authority meeting, Director O'Keeffe then updated members on the communications and marketing framework and described the strategy. She presented a revised draft mission statement for initial feedback from members, and thanked Mr. Curtin for his working on it. Chairman Simon further thanked Mr. Curtin for his assistance. Director O'Keeffe said that the messaging framework and mission statement will be finalized and submitted to the board for approval at a future meeting.

Director O'Keeffe provided a brief legislative update, including the ongoing discussions regarding the administrative costs of the Authority to implement the nuclear and renewable energy generation fund programs. Discussion ensued on the possible timing and specific amounts estimated for program administration.

The Chairman also requested General Counsel to provide an update to the Authority members regarding a project that is under review.

8. Adjournment

The Chairman adjourned the meeting at 11:00 a.m.

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held remotely on Tuesday, July 14, 2020 via video conferencing through Microsoft Teams.