

# PORT AUTHORITY OF WINONA MINUTES

DATE: November 18, 2004

PRESENT: President Cichanowski, Commissioners Schwab, Johnson, Glubka, and Thurley

ABSENT: Executive Secretary Sorensen and Commissioner Borzyskowski and Kiekbusch

---

## 1. CALL TO ORDER – APPROVAL OF MINUTES

The meeting was called to order at 4:00 p.m. by President Cichanowski. A motion was made by Commissioner Glubka, seconded by Commissioner Schwab, to approve the minutes from the October 14, 2004 meeting. The motion carried with all Commissioners present voting aye.

## 2. REMARKS BY THE PRESIDENT

President Cichanowski welcomed Commissioner George Borzyskowski to the Port Authority representing the City Council.

## 3. PUBLIC HEARING

### A. *Pelzer Auction*

Pursuant to a public hearing notice published on November 3, 2004, President Cichanowski opened the public hearing. He asked for anyone who wishes to speak to come forward to address the Port Authority Commissioners. President Cichanowski called two additional times for anyone wishing to speak to come forward. There being none, the public hearing was closed. Staff summarized the auction and the conditions and criteria for sale and further outlined the properties that would be available for sale at the auction to be held on Friday, November 19<sup>th</sup>. A motion to approve the following resolution for the sale of property was made by Commissioner Thurley, seconded by Commissioner Schwab. The resolution was approved with all Commissioners present voting aye.

### **RESOLUTION # 608**

**WHEREAS**, the Port Authority of Winona, pursuant to Minnesota State Statutes, Section 458.196, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the proposed sale of property owned by said Port Authority in a legal newspaper, said hearing to be held to determine

whether it is in the best interest of the district and the people thereof, and that furtherance of the general plan of the Port Authority development and industrial development to sell the land described in Exhibit "A" attached hereto, and

**WHEREAS**, a proposal to sell the properties has been developed and said property described in Exhibit "A" is owned by the Port Authority of Winona; and

**WHEREAS**, the Port Authority has investigated the facts of the proposed sale of said land and terms and conditions of said sale, and proposed use of said property and the relationship to the City of Winona and its business facilities of the Port Authority of Winona in general; and

**WHEREAS**, the proposed project, meets the terms and conditions set forth by the Port Authority of Winona as its guide in determining if such proposals are in the best interest of the Port Authority district and the public.

**NOW, THEREFORE, BE IT RESOLVED** by the Port Authority of Winona:

1. That the Board of Commissioners of the Port Authority of Winona hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general plan to sell said property at Public Auction.
2. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.
3. The property is being sold at absolute auction on November 19, 2004.

**B. Exchange of Property with Dawn Singer.**

Pursuant to a public hearing notice published on November 7, 2004, the Port Authority Commissioners considered the exchange of property with Dawn Singer. President Cichanowski opened the public hearing and asked anyone wishing to comment on the exchange of property to come forward. President Cichanowski called an additional two times for anyone wishing to speak to the issue to come forward. There being none, the public hearing was closed. Staff summarized the sale/transfer of property

that the Port Authority had worked out with Dawn Singer. All parties were in agreement on the exchange. A motion to approve the resolution allowing the exchange was made by Commissioner Glubka, seconded by Commissioner Thurley. The motion was called for a vote with all Commissioners present voting aye.

**RESOLUTION # 609**

**WHEREAS**, the Port Authority of Winona, pursuant to Minnesota State Statutes, Section 458.196, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the exchange property owned by said Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interest of the district and the people thereof, and that furtherance of the general plan of the Port Authority development and industrial development to sell the land described in Exhibit "A" attached hereto, and

**WHEREAS, Dawn Singer** has submitted a proposal to exchange said property described in Exhibit "A" which property is owned by the Port Authority of Winona, and

**WHEREAS**, the Port Authority has investigated the facts of the proposed exchange of said land and terms and conditions of said sale, and proposed use of said property and the relationship to the City of Winona and its business facilities of the Port Authority of Winona in general, and

**WHEREAS**, the proposed project, presented by **Dawn Singer**, meet the terms and conditions set forth by the Port Authority of Winona as its guide in determining if such proposals are in the best interest of the Port Authority district and the public.

**NOW, THEREFORE, BE IT RESOLVED** by the Port Authority of Winona:

1. That the Board of Commissioners of the Port Authority of Winona hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general plan to exchange said real estate to **Dawn Singer**.
2. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.

3. The property is being exchanged for \$1.00.

**C. Maritime Heritage Society**

Pursuant to a public hearing notice published on November 7, 2004, the Port Authority Commissioners were requested to consider a sale of a parcel along Riverview Drive to the Maritime Heritage Society. The purpose of the land sale was to locate a museum and the retired Dredge Thompson at this site to serve as a Visitors Center and Maritime Museum. The public hearing was opened by President Cichanowski. Bud Baechler of the Maritime Heritage Society came forward to speak about the plans for the Society to build a museum of history and art related to the river and also outlined how the Maritime Heritage Society had just been selected to receive the Dredge Thompson once retired. Mr. Baechler noted the appropriate setting in the operational harbor and noted that meetings had been held with other businesses in the harbor. Jim Eddy of the Upper Mississippi Wildlife Refuge came forward to speak in favor of the Museum and Visitors Center and noted that it would be a focal point for the Upper Mississippi and the only one north of Dubuque, Iowa. President Cichanowski asked for anyone else interested to come forward and speak on the issue of the proposed sale of land. Mr. Don Evanson of American Plumbing came forward. Mr. Evanson spoke regarding the location of the proposed museum and Dredge Thompson and in his view it wasn't appropriate for the operating harbor. He noted the potential use for ocean freight container terminal areas and also suggested the Wetland site owned by R & R Services be used by the Maritime Heritage Society as a location for the Dredge Thompson and their museum. He further noted the purpose of the port in his view regarding the commercial nature of the harbor and his desire for it to remain that way. Further discussion and clarification that the Maritime Heritage Society's intent was to create a museum for history and art related to the river was discussed in general. Commissioners asked about a timeline regarding the project. Mr. Baechler reported that mid to late 2006 or worst case scenario in the spring of 2007 the project could be complete. Brief discussion about the financial ability for the museum to operate was also clarified and it was noted that enough income was in place to take care of the site, the building, the museum and the operation of such. President Cichanowski called for anyone else wishing to speak to the issue to come forward. There being none, the public hearing was closed. A motion to introduce the resolution for the sale of property was made by Commissioner Thurley, seconded by Commissioner Johnson. Commissioner Schwab abstained from voting and the motion to approve the resolution approving the sale of land passed with the Commissioners Johnson, Glubka, Thurley and Cichanowski voting aye and Schwab abstaining.

**RESOLUTION # 610**

**WHEREAS**, the Port Authority of Winona, pursuant to Minnesota State Statutes, Section 458.196, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the proposed sale of property owned by said Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interest of the district and the people thereof, and that furtherance of the general plan of the Port Authority development and industrial development to sell the land described in Exhibit "A" attached hereto, and

**WHEREAS, the Maritime Heritage Society**, has submitted a proposal to purchase said property described in Exhibit "A" which property is owned by the Port Authority of Winona; and

**WHEREAS**, the Port Authority has investigated the facts of the proposed sale of said land and terms and conditions of said sale, and proposed use of said property and the relationship to the City of Winona and its business facilities of the Port Authority of Winona in general; and

**WHEREAS**, the proposed project, presented by **the Maritime Heritage Society** meets the terms and conditions set forth by the Port Authority of Winona as its guide in determining if such proposals are in the best interest of the Port Authority district and the public.

**NOW, THEREFORE, BE IT RESOLVED** by the Port Authority of Winona:

1. That the Board of Commissioners of the Port Authority of Winona hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general plan to sell said real estate to **the Maritime Heritage Society**.
2. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.
3. The property is being sold for **\$360,000.00** for approximately **6+/-** acres.

**4. OLD BUSINESS**

**A. Assignment of the Lease**

The Port Authority has a lease with Commercial Court Partners owners of the Kensington at 157 West Third Street. The building was sold and the new owners were requesting an assignment of that existing lease for the Senior Housing Development. A motion for that assignment was approved outlining that the use of the property is for Senior Rental Housing. The motion to approve the assignment was made by Commissioner Johnson, seconded by Commissioner Glubka. The motion carried with all Commissioners present voting aye.

**B. Commercial Harbor Dredging**

The Riverfront Committee had been reviewing the dredging of the Commercial Harbor area. Jim Holland of Pinnacle Engineering presented a summary of the project to date to the Port Authority. Holland explained that the original plan was to dredge 12 ½ acres 20 feet deep resulting in 400,000 yards of material being dredged from the Commercial Harbor for an estimated \$3.5 million dollars. Mr. Holland further explained that the project had been reduced to a 16 foot dredge which is typical for the Upper Mississippi Harbor areas. This cost was then reduced to between \$2.1 and \$2.3 million dollars. With the reduced site area to place the dredge material on Pinnacle was further asked to reduce the project size. Also noting that there was only currently \$1.1 million dollars available to dredge a reduced project scope was developed and 5 acres of the original 12 ½ acre site being dredged to 16 feet was planned for the harbor area for the spring and summer of 2005.

Staff reported that \$880,000 from the Minnesota Ports Association was available to the Port Authority along with matching funds of \$220,000. If the Minnesota Ports funding is not used to dredge the harbor at this time it would be returned to MnDOT for use in other ports. Further discussion about dredging the Commercial Harbor took place. Following the discussion, a motion was made by Commissioner Glubka, seconded by Commissioner Thurley to approve of the following actions.

1. Have staff allow Pinnacle to submit permit applications for the full dredging project.
2. Preparation of bid specifications for the revised dredging project.
3. Request approval to bid the project out.

The motion carried with the following Commissioners voting aye, Commissioners Glubka, Thurley, Cichanowski and Schwab, with Commissioner Johnson voting nay. The motion carried.

**5. FINANCIAL REPORTS**

There were no financial reports.

**6. ADJOURNMENT**

The meeting was adjourned at 5:15 p.m.

---

Judith Bodway  
Director of Economic Development