

PORT AUTHORITY OF WINONA MINUTES

DATE: February 13, 2020

PRESENT: Commissioners: Cichanowski, Johnson, Thurley, Borzyskowski, Gorman, Lucas, Hansen and Executive Secretary Sarvi

ABSENT: None

STAFF PRESENT: Director of Community Development Lucy McMartin, Finance Director Mary Burrichter, City Engineer Brian DeFrang, and Development Coordinator Myron White

1. CALL TO ORDER – APPROVAL OF MINUTES

The meeting was called to order at 4:00 PM by President Cichanowski.

A motion was made by Commissioner Hansen and seconded by Commissioner Lucas to add agenda item 3.C. MnDOT Grant Amendment, to the agenda. All those present voting aye.

A motion was made by Commissioner Borzyskowski and seconded by Commissioner Thurley to approve the January 9, 2020 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski remarked that he was encouraged by the support for the pedestrian/bike trail development.

3. OLD BUSINESS

A. CHS Contract Amendment

Staff reported that in order to receive Port Development Assistance funding for the west dock, the Port Authority must execute a Third Amendment to the lease agreement between the Port and CHS as proposed by the State Office of Management and Budget (MMB). The proposed amendment clarifying that the lease does indeed help to carry out the governmental program referenced in State Statute of providing and promoting adequate dock, rail, and terminal facilities.

A motion was made by Commissioner Hansen seconded by Commissioner Borzyskowski to authorize execution of the Third Amendment to the Lease Agreement between the Port and CHS. All those present voting aye.

B. Contract for Services – Winona Main Street

Ben Strand of Main Street provide an overview of Main Street projects, grant activity and events. Director of Community Development McMartin indicated the proposed contract was for \$30,000, as budgeted by the Port Authority.

A motion was made by Commissioner Lucas and seconded by Commissioner Hansen to approve the proposed service contract with the Winona Chamber/ Main Street. The motion passed with all those present voting aye.

C. MnDOT Grant Amendment #1

Port staff provided an overview of a proposed amendment to MnDOT Grant Agreement #1030957 which provided funding for stormwater improvements to the Port dock located at 890 Riverview Drive. The proposed amendment included changes to the project budget to reflect the increase in project cost from \$649,550 to \$747,900.

A motion was made by Commissioner Johnson and seconded by Commissioner Thurley to approve the Port Authority resolution authorizing the execution of the Grant Amendment. All those present voted aye.

RESOLUTION # 754

**AUTHORIZING THE PORT AUTHORITY PRESIDENT TO EXECUTE
AMENDMENT #1 TO MnDOT GRANT AGREEMENT #1030957**

WHEREAS, Resolution 738 authorized the Port Authority of Winona to enter into MnDOT Grant Agreement #1030957 (890 Riverview Drive Stormwater Bond Project) which reflected a \$454,512 MnDOT Grant with a \$195,038 Port match; and

WHEREAS, Resolution 750 authorized the Port Authority of Winona to enter into contracts with Weaver Consultants and Zenke, Inc. to complete the engineering and improvements; and

WHEREAS, the final engineering and construction costs differed from the amount represented in MnDOT Grant Agreement #1030957.

NOW, THEREFORE, BE IT RESOLVED that the Port Authority of Winona hereby authorizes the Port Authority of Winona President to execute Amendment #1 to MnDOT Agreement #1030597 which reflects a \$500,000 MnDOT Grant with a \$247,900 match, the actual engineering and construction costs.

4. NEW BUSINESS

A. General Fund/Commercial Harbor Fund

Director of Community Development McMartin reported that Minnesota Port Development Assistance funds are received on a reimbursement basis. To cover monthly cash shortfalls in fund 945, staff requested Commissioners consider a loan from Fund 911 to Fund 945 to cover those shortfalls.

A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Thurley to loan funds from Fund 911 to Fund 945, to cover monthly cash shortfalls until reimbursement occurs. All Commissioners present voted aye.

B. Main Square Development Clean-up

Director of Community Development McMartin reported that a portion of the proceeds of the sale of land to Main Square Development LLC were put into an escrow account to cover any environmental clean-up costs not covered by DEED Clean-Up Grant proceeds. Given that the MN Pollution Control Agency had provided a "letter of no further action" for the project, Commissioners were asked to approve a resolution to execute the necessary documents to release the funds held in escrow to the Port Authority.

A motion was made by Commissioner Lucas and seconded by Commissioner Hansen to approve the resolution releasing the funds. All Commissioners present voted aye.

RESOLUTION # 753

WHEREAS, The Port Authority of Winona (seller) entered into an Escrow Agreement on July 27, 2018; with Main Square Development LLC, (buyer) a Minnesota limited liability company; and

WHEREAS, the Seller and the Buyer entered into a Purchase Agreement on May 17, 2018 pertaining to the sale and purchase of certain Real Property in Winona, Minnesota; and

WHEREAS, Section 5 of the Purchase Agreement required an escrow amount of \$800,000.00 of the purchase price be deposited with the Escrow Agent to be held in escrow by the Escrow Agent; and

WHEREAS, the Escrowed Funds were to pay for completing the Response Action Plan if grant funds were not received or if the amount of the grant was less than the remediation costs; and

WHEREAS, terms and conditions of the Escrow Agreement dated July 27, 2018 are met including; submittal of itemized invoices, and grant dollars are fully utilized; and

WHEREAS, the Port Authority of Winona approved Resolution # 748 on January 17, 2019 to release up to \$210,000 in escrow funds and an Authorization to Release was executed by Main Square Development LLC and the Port Authority of Winona and funds were released in the amount of \$210,000 on March 29, 2019; and

WHEREAS, the MPCA issued a letter of "No Further Action" dated January 3, 2020 which states no further investigation or remediation will be

requested under Minn. Stat. 115B.01-115B.18 with respect to the identified release.

NOW THEREFORE BE IT, resolved that the Port Authority of Winona authorizes the necessary signatures and release of the remaining balance in the Escrow Account.

C. Engineering Service – Mississippi Riverfront Path

Director of Community Development McMartin presented a proposal from Barr Engineering to complete engineering on Phase II of the Riverfront Trail. Over the years, the trail has been a component of most of the development plans adopted by the City. The \$23,500 for Barr's Engineering Services was budgeted in the Port's 2020 budget.

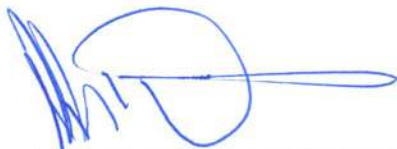
A motion was made by Commissioner Borzyskowski and seconded by Commissioner Thurley to approve the contract for services with Barr Engineering. All Commissioners present voted aye.

5. FINANCIAL REPORT

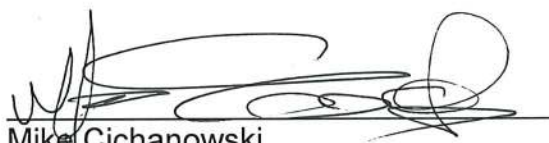
Finance Director Burrichter indicated the finances were preliminary end of year and subject to final adjustments.

6. ADJOURNMENT

A motion was made and seconded to adjourn the meeting. The meeting was adjourned at 4:35 PM.



Myron White
Development Coordinator



Mike Cichanowski
President