

PORT AUTHORITY OF WINONA MINUTES

DATE: March 11, 2021

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

ABSENT: Commissioner Alexander

STAFF PRESENT: Director of Community Development Lucy McMartin, Interim Development Coordinator Nick Larson, City Engineer Ryan Meiners, & Finance Director Jessica Wojahn

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 Borzyskowski and seconded by Commissioner Lucas to approve the February 18, 2021 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski noted Commissioner Alexander was absent.

3. PUBLIC HEARINGS

A. WinCraft Sale of Land

Director of Community Development McMartin noted to the Commissioners that WinCraft approached the Port in November 2020 about a potential expansion project in Winona. Fanatics has locations throughout the country.

Ms. McMartin noted when the Port sells land, a public hearing is held to determine the viability of the sale. Ms. McMartin informed the Commissioners that the sale price of \$55,000 was discussed if the project moves forward.

President Cichanowski opened the public hearing and asked for comments.

Ms. Christie Ransom, President and CEO of the Winona Area Chamber of Commerce, stated it is important to note these partnerships and expansions are valuable to our community and the work of Opportunity Winona, City of Winona, and the Port Authority are invaluable.

Mr. John Killen, President and CEO of WinCraft, thanked the Port Authority and staff for their support. Mr. Killen noted since Fanatics acquired WinCraft December 8, 2020, WinCraft has maintain all employees and are looking to expand. Mr. Killen stated it has been six (6) years since the 125,000 square foot expansion and WinCraft is now at capacity. Mr. Killen noted Fanatics is looking at a ten (10) year plan of what WinCraft can do in Winona. Mr. Killen

continued that WinCraft hopes to move forward with the expansion in Winona in which case they would hire twenty-five (25) to thirty (30) new jobs in a twelve (12) month period.

There were no more comments and President Cichanowski closed the public hearing. Commissioner Johnson thanked Fanatics and WinCraft for their commitment to Winona and looking to grow their business in Winona. President Cichanowski noted the piece of property in Technology Park has been in the works for development for nearly thirty (30) years.

A motion was made by Commissioner Johnson, and seconded by Commissioner Hansen, to authorize staff to develop a Purchase Agreement and related documents to facilitate the sale of property. If the project moves forward, the agreements would be brought back to the Port Authority in the future. All Commissioners present voted aye.

4. OLD BUSINESS

A. Nominating Committee Report

President Cichanowski referenced the listing of the proposed slate of officers and staff from the Negotiating Committee listed in the packet for Commissioner's consideration.

A motion was made by Commissioner Lucas, and seconded by Commissioner Borzyskowski, to approve President Mike Cichanowski, Vice President Dana Johnson, Treasurer Mike Hansen, Executive Secretary Steve Sarvi, Director of Community Development Lucy McMartin, Interim Development Coordinator Nick Larson, Director of Finance Jessica Wojahn, and City Engineer Ryan Meiners. All Commissioners present voted aye.

B. Barge Fleeting Operation Discussion

Ms. McMartin informed the Commissioners that the Port Authority has a license agreement with an operator to fleet barges in the commercial harbor. Ms. McMartin noted the Port Authority has had a license agreement with Artco, a Division of ADM to fleet barges since 2006. Ms. McMartin noted Artco has the equipment, insurance, and capital to complete fleeting services and the current license agreement expires December 2021.

Ms. McMartin noted the Port Authority sent letters of inquiry in 2006, but only received a response from Artco. In communication with other operators in the port, they noted that they are happy with the fleeting services provided by Artco.

Ms. McMartin noted the current license agreement with Artco was for a period of fifteen (15) years and proposed a ten (10) year license agreement with rates increasing every two (2) years or for staff to send out letters of inquiry to Artco and other barge fleeting operators.

Commissioner Hansen asked for confirmation that staff was looking for direction from the Commissioners in developing a new license agreement.

Commissioner Lucas noted it is better to do a ten (10) year agreement rather than a fifteen (15) because it is easier to negotiate. President Cichanowski agreed and noted that ten (10) years may be too long and asked if the ten (10) years can be reduced. Ms. McMartin informed the Commissioners that through staff conversation with Artco, they are looking at major capital investments in the harbor, such as, dead-men and pilings and are wanting at least a ten (10) year license agreement.

Commissioner Johnson directed staff to get a list of the capital improvement projects that Artco would do to improve the Port's property and to look at what other ports are doing, as this could be used in negotiations.

President Cichanowski directed staff to find out the capital improvements that other Ports are doing, as a modern port is wanted.

A motion was made by Commissioner Hansen, and seconded by Commissioner Borzyskowski, to authorize staff to negotiate terms of a License Agreement and return with a recommendation in the future. All Commissioners present voted aye.

C. Washington Crossing – Subordination Request

Ms. McMartin provided an overview of the loan the Port Authority made to Metro Plains. Ms. McMartin noted the Port Authority made a loan of \$300,000 to Metro Plains for the development of Washington Crossings. The project provided 22 market rate and 44 affordable rental units. Ms. McMartin noted the auditorium was never included in the plans for renovation.

Ms. McMartin noted a plat was developed to separate the auditorium portion of the building from the rest of Washington Crossing. Minnesota Housing is requiring a Subordination Agreement and Estoppel Certificate from the City and Port Authority. Ms. McMartin noted the Port is in third (3rd) and fourth (4th) position.

Commissioner Johnson asked with the transfer of lands, is the Port Authority being asked to forgive both the loans. Ms. McMartin noted the Port is not being asked to forgive the loans at this time.

A motion was made by Commissioner Johnson, and seconded by Commissioner Lucas, to authorize the President and Executive Secretary to execute the Subordination and Estoppel Certificate. All Commissioners present voted aye.

5. FINANCIAL REPORT

Finance Director Wojahn reported everything is standard within the Financial Report.

6. CLOSED SESSION

President Cichanowski noted the agenda item for this portion of the regular meeting of the Port Authority is to develop or consider offers or counteroffers for the purchase of real property located at 165 West Second Street. This portion of the properly noticed meeting of the Port Authority will be closed pursuant to Minnesota Statutes, section 13D.05, subdivision 3 (c). We will now entertain a motion to close this portion of the meeting.

A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Lucas, to enter into a closed session. All Commissioners present voted aye.

7. REOPEN MEETING

A motion was made by Commissioner Hansen, and seconded by Commissioner Lucas, to enter into open session. All Commissioners present voted aye.

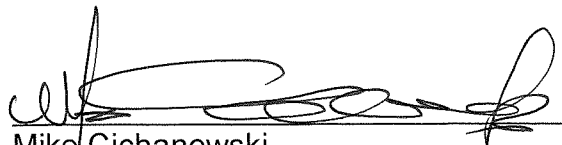
A motion was made by Commissioner Lucas, seconded by Commissioner Borzyskowski, to authorize staff to take the opportunity to work with developers on the property located at 165 W. 2nd Street. All Commissioners present voted aye.

8. ADJOURNMENT

A motion was made by Commissioner Hansen and seconded by Commissioner Borzyskowski to adjourn the meeting. The meeting was adjourned at 4:42 pm.



Nick Larson
Interim Development Coordinator



Mike Cichanowski
President

**PORT AUTHORITY OF WINONA
ROLL CALL AND VOTE SHEET
MARCH 11, 2021**

Name	Approval of Minutes	Public Hearing WinCraft	Nominating Committee	Barge Fleeting Operations	Washington Crossing Subordination Request	Financial Report	Motion to Closed Session	Roll Call: Closed Session	Reopen Meeting	Motion to Negotiate for purchase of land	Adjournment
Cichanowski	Aye	Aye	Aye	Aye	Aye	No Vote	Aye	Present	Aye	Aye	Aye
Johnson	Aye	1 st & Aye	Aye	Aye	1 st & Aye	No Vote	Aye	Present	Aye	Aye	Aye
Gorman	Aye	Aye	Aye	Aye	Aye	No Vote	Aye	Present	Aye	Aye	Aye
Borzyskowski	1 st & Aye	Aye	2 nd & Aye	2 nd & Aye	Aye	No Vote	1 st & Aye	Present	Aye	2 nd & Aye	2 nd & Aye
Alexander	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent
Hansen	Aye	2 nd & Aye	Aye	1 st & Aye	Aye	No Vote	Aye	Present	1 st & Aye	Aye	1 st & Aye
Lucas	2 nd & Aye	Aye	1 st & Aye	Aye	2 nd & Aye	No Vote	2 nd & Aye	Present	2 nd & Aye	1 st & Aye	Aye