

PORT AUTHORITY OF WINONA MINUTES

DATE: August 16, 2018

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

ABSENT: None

STAFF PRESENT: Director of Community Development McMartin, Finance Director Burrichter

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, seconded by Commissioner Thurley to approve the July 12, 2018 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski had no remarks

3. OLD BUSINESS

A. Technology Park Lots 1, 2, and 3

Director McMartin outlined the Lease Agreement and Option Agreement between the Port Authority and Robert Hemker entered into in 2011. The property is located in Technology Park and consisted of three lots. Ms. McMartin explained that the Estate of Robert Hemker would like to assign its interest in the Lease Agreement and the Option Agreement to Nancy Hemker. A motion was made by Commissioner Borzyskowski, seconded by Commissioner Hansen to approve the following resolution.

RESOLUTION # 746

WHEREAS, Robert Hemker and the Port Authority of Winona (“Port”) entered into a Lease Agreement (the “Lease Agreement”) dated October 20, 2011 relating to certain real property located in the City of Winona, Winona County, Minnesota, described in Exhibit A attached to this Resolution (the “Property”); and

WHEREAS, Robert Hemker and the Port also entered into an Option Agreement (the “Option Agreement”) dated February 9, 2012 relating to the Property and authorizing the purchase thereof from the Port Authority pursuant to those terms and conditions contained in the Option Agreement; and

WHEREAS, copies of the above-referenced Lease Agreement and Option Agreement are respectively attached hereto as Exhibits B and C; and

WHEREAS, pursuant to Resolution #684, dated September 11, 2011, the Port held a public hearing on the sale of the Property and found 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 pursuant to the Option Agreement; and

WHEREAS, Nancy A. Hemker is the personal representative of the Estate of Robert Hemker and in that capacity has properly previously extended the Lease Agreement and the Option Agreement in accordance with their respective terms, and the same remain in full force and effect; and

WHEREAS, both the Lease Agreement and Option Agreement allow the assignment of the respective rights, duties and obligations therein; and

WHEREAS, Nancy A. Hemker as the personal representative of the Estate of Robert Hemker now desires to assign the Estate's interest in the above-referenced agreements to her as the heir of the Robert Hemker Estate and requests that the Port consent to the same; and

WHEREAS, a copy of the above-referenced Assignment and Assumption of Lease and Option Agreements by and between Nancy A. Hemker, as Personal Representative of the Estate of Robert Hemker ("Assignor") and Nancy A. Hemker ("Assignee") is attached hereto as Exhibit D; and

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

1. The Board of Commissioners hereby approves the Consent and Release of Port Authority of Winona to Assignment and Assumption of Lease and Option Agreements by and between Nancy A. Hemker, as Personal Representative of the Estate of Robert Hemker ("Assignor") and Nancy A. Hemker ("Assignee"), attached hereto as Exhibit D, and authorizes and directs the President and Executive Secretary to execute the same substantially in the form hereby approved, allowing for minor or technical changes as determined by the City Attorney.

PASSED by the Commissioners of the Port Authority of Winona, Minnesota, on this 16th day of August, 2018.

4. NEW BUSINESS

A. Recommended 2019 Port Authority Budget

Director McMartin reviewed the budgets related to the Port Authority of Winona with Commissioners. Staff noted the final budget and levy require Council approval. Commissioner Thurley asked a question of the General Fund requested and recommended budget. It was explained that reserves are used to balance the budget, and the difference in the requested and recommended budget is accounted for in the amount of the reserves and levy.

Finance Director Burrichter explained the activity level of the Port Authority has increased.

Director McMartin outlined the Commercial Harbor West Dock Wall is a large capital project scheduled for 2019. The new sheet pile wall will improve the commercial harbor and improve the movement of commodities and therefore would be an eligible project for the Minnesota Port Assistance Program for funding approximately 80% of the project.

A motion was made by Commissioner Johnson, seconded by Commissioner Hansen to:

1. Approve the recommended property tax levy for Fund 931, which includes debt service for Highway 61/Pelzer Street Project and recommend that the City Council approve the tax levy.
2. Approve the recommended property tax levy for Fund 936, the Airport Improvement Bonds, and recommend that the City Council approve the tax levy for this project.
3. Approve the recommended property tax levy for Fund 911, Port Authority General Fund.
4. Approve, by motion, the 2019 Port Authority budgets including all attached funds and recommending approval of such by the City Council.

The motion carried with all Commissioners present voting aye.

B. General Fund/Brownfield Fund

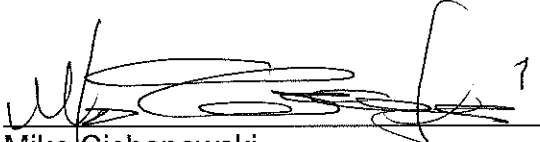
Director McMartin reported the Brownfield Clean-Up projects are underway and the grant funds awarded for the projects operate on a reimbursement basis. Staff recommends a loan from the General Fund to the Brownfield Fund to cover any monthly cash shortfalls, until reimbursement occurs. A motion was made by Commissioner Lucas, seconded by Commissioner Thurley to approve the loans. All Commissioners present voted aye.

5. ADJOURNMENT

A motion was made by Commissioner Lucas and seconded by Commissioner Borzyskowski to adjourn the meeting. All Commissioners present voted aye.



Lucy McMartin
Director of Community Development



Mike Cichanowski
President