

PORT AUTHORITY OF WINONA MINUTES

DATE: February 16, 2017

PRESENT: Commissioners: Cichanowski, Johnson, Glubka, Borzyskowski, Thurley, and Executive Secretary Sarvi

ABSENT: Commissioners: Lucas and Hansen

STAFF PRESENT: Director of Community Development McMartin, Development Coordinator White, and 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, and seconded by Commissioner Thurley to approve the January 12, 2017 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski remarked that the Port had received four responses to the Request For Proposals for development at 60 Main Street. The respondents included: Streetfront Development, Great Lakes Management Group, Hamilton Real Estate and Sherman Associates. He noted that staff had completed a preliminary evaluation of the RFPs and were scheduling interviews with developers during the first week in April.

3. OLD BUSINESS

A. Stormwater Engineering Services

Port Authority staff reported that, given input from the City Engineer, they felt that they could continue to pursue more competitive pricing on the proposed preliminary engineering services for stormwater management at the new dock.

A motion was made by Commissioner Johnson and seconded by Commissioner Borzyskowski to permit staff to enter into a contract for preliminary stormwater design services at the new dock at a cost not to exceed \$8,500. The motion was passed with all Commissioners present voting aye.

4. NEW BUSINESS

A. Port Authority Lease with CD Corp – Consent

Director of Community Development McMartin explained that the Port had entered into a lease with CD Corporation for operation of the Port – owned dock in 2012. CD Corp recently provided written notice to extend the lease an additional five year term to February 28, 2022 with renewal options. She explained that Dan Nisbit of CD Corp has requested permission to sell all of the existing shares of CD Corp to Enstructure Partnership and referenced Resolution # 724 for consideration.

Dan Nisbit of CD Corp explained that he had an employment contract with Enstructure Partnership to continue as operator of the dock. Dan went on to explain that the new partners would bring in additional expertise and capital to the business that would allow CD Corp to expand.

Commissioner Thurley asked why Enstructure Partnership was interested in CD Corp. It was explained that the new partners saw an opportunity to grow the business in part by investing additional capital.

Commissioner Borzyskowski asked about the trucking aspect of the CD Corp business. It was explained that the new entity would take ownership of the trucking aspects of CD Corp as well.

A motion was made by Commissioner Borzyskowski to approve Resolution # 724 allowing the President and Executive Secretary to execute the Consent to the Assignment. The motion was seconded by Commissioner Johnson with all those present voting aye (Commissioner Glubka abstained).

RESOLUTION # 724

WHEREAS, the Port Authority of Winona entered into a Lease Agreement with C.D. Corporation on February 9, 2012; and

WHEREAS, notice was received to exercise renewal of the Lease Agreement on November 11, 2016, as per the terms of the Lease; and

WHEREAS the Agreement to the Change in Ownership Shares of C.D. Corp. constitutes an assignment due to the change in ownership of the shares of C.D. Corp. as outlined in paragraph thirteen of the Lease Agreement.

NOW THEREFORE BE IT RESOLVED that the President and Executive Secretary are authorized to execute the Consent to the Assignment.

Staff explained that a similar consent is needed since C.D. Corp subleases the "old dock" from CHS. Commissioner Johnson made a motion to approve consent to the sub-lease of the old dock (currently leased by CHS and sub-leased to CD Corp) Resolution # 725. Commissioner Borzyskowski seconded the motion will all members present voting aye (Commissioner Glubka abstained).

RESOLUTION # 725

WHEREAS, the Port Authority of Winona entered into a Lease Agreement with CHS, Inc. on March 15, 2013 and on February 9, 2012; and

WHEREAS, on April 21, 2015, the parties entered into a First Amendment on of the Lease Agreement; and

WHEREAS, CHS entered into a Sublease Agreement with C.D. Corp on April 5, 2013; and

WHEREAS, the Sublessee is subject to terms and conditions in the underlying lease and consent is needed if the ownership changes.

NOW THREFORE BE IT RESOLVED that the President and Executive Secretary are authorized to execute the Consent to the Assignment.

5. Financial Report


Finance Director Burrichter reported that Port finances were in order.

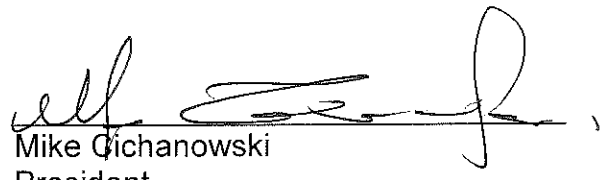
6. Other Business

Commissioner Borzyskowski commented that Peerless Chain was celebrating its 100th Anniversary. The celebration event will be held in May 2017.

7. Adjournment

The meeting was adjourned at 4:18 PM.


Myron White
Development Coordinator


Mike Gichanowski
President