

PORT AUTHORITY OF WINONA MINUTES

DATE: April 14, 2022

PRESENT: President Cichanowski, Commissioners: Borzyskowski, Alexander, Hansen, Johnson, Lucas and Executive Secretary Chad Ubl

ABSENT: Commissioner Gorman

STAFF PRESENT: Director of Community Development Lucy McMartin, Development Coordinator Nick Larson, and 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 10, 2022 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski noted Port staff has been working through the land assembly process for the 60 Main Project. Director of Community Development Lucy McMartin noted staff is working with Johnson & Scofield to survey and plat the development area. Ms. McMartin noted a small City owned parcel would be transferred to the Port to support the development of 60 Main.

3. OLD BUSINESS

A. Nominating Committee Report

Commissioner Lucas referenced the listing of the proposed slate of officers and staff for the Nominating Committee listed in the agenda packet for Commissioners' consideration.

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

B. Amendment to Extend Lease and Option for 102 Walnut

Development Coordinator Nick Larson noted the Port Authority entered into a Lease Agreement and Option Agreement with 102 Walnut Winona LLC to support the 102 Walnut development by providing parking. Mr. Larson noted the original Lease Agreement and Option Agreement expired in 2021, at which point in time the developers of 102 Walnut requested a one-year extension for both Lease and Option Agreements from the Port Authority. Mr.

Larson stated the one-year extension expires June 30, 2022, and the developers of 102 Walnut are requesting an additional one-year extension to the Lease and Option Agreements.

A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Alexander, to authorize the President and Executive Secretary to execute the amendments. All Commissioners present voted aye.

C. First Amendment to 998 Riverview Drive Lease Agreement

Ms. McMartin noted the completion of the 998 Riverview Drive dock project was delayed due to supply chain issues and MMB's review taking longer than expected. The Agreement was not in place by March 1, 2022; and therefore CD Terminal was not able to utilize the west dock. Ms. Martin stated because of the delay, CD Terminal requested the first installment of the annual rent be waived.

Commissioner Johnson asked if the dock project is now completed.

Mr. Larson noted the only component not completed is touching-up the epoxy coating in the areas of the welds on the sheetpile wall, which could not be completed due to inclement weather. Mr. Larson noted Michels will coordinate with Port staff and CD Terminal to complete the epoxy coating once the temperatures remain above 40 degrees.

Mr. Larson noted all other components of the bid specs have been completed and Port staff is conducting the final walk-through with the Regional Manager from Michels, GRAEF Engineering, and the City of Winona Engineer the following day.

A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Alexander, to accept the amended Lease Agreement. All Commissioners present voted aye.

4. NEW BUSINESS

A. Proposed Purchase of Property – 67 Main Street and a Portion of 58 Johnson Street

Ms. McMartin referenced the map on page 23 of the resolution. Ms. McMartin noted HBC no longer needs the Wizards Building or the land to the north and as a partner of Opportunity Winona, HBC wanted to work with the Port Authority to enhance the area. Ms. McMartin noted the components of the Purchase Agreement.

Ms. McMartin noted the acquisition of the property includes the building located at 67 Main and a portion of the land at 58 Johnson. Ms. McMartin stated an underground fiber-optic line runs through part of land north of the

Wizards Building and HBC has requested a License Agreement to access the fiber-optic line for maintenance, repair, or replacement.

Ms. Martin noted another component of the Purchase Agreement is a License Agreement for parking in the gravel lot to the north of 58 Johnson. Ms. McMartin stated the License Agreement for parking would be Monday – Friday from 7am to 5pm for HBC use and would be public parking after 5pm and on the weekends. Ms. Martin noted the gravel parking lot and the land to the east of 58 Main could be asphalt in the future, creating a continuous parking lot.

Ms. McMartin continued that another component of the Purchase Agreement is the allowance of \$100,000 to relocate the satellite dishes on the site and \$7,000 to install a gate on the northside of HBC's property.

Ms. McMartin stated the final purchase price is \$481,390, the satellite dishes will be moved to the southwest corner of HBC's property, and HBC is financially responsible to repair the property if HBC needs to access their fiber optic line.

President Cichanowski asked who owns the gravel parking lot in between HBC and the tracks and how wide the gravel parking is.

Mr. Larson noted the gravel parking lot is the former Front Street and is City owned. Mr. Larson continued that the width of the parking lot is 56' 7".

A motion was made by Commissioner Hansen, and seconded by Commissioner Lucas, to approve the resolution approving the acquisition of a portion of 58 Johnson and 67 Main. All Commissioners present voted aye.

A motion was made by Commissioner Hansen, and seconded by Commissioner Alexander, to authorize the President and Executive Secretary to execute the License Agreement for Fiber Optic access. All Commissioners present voted aye.

A motion was made by Commissioner Alexander, and seconded by Commissioner Lucas, to recommend to the City Council to favorably consider the License Agreement for parking at their April 18, 2022 meeting. All Commissioners present voted aye.

B. CD Terminal LLC Addition to Storage – 890 Riverview Drive

Mr. Larson noted CD Terminal LLC is proposing to construct a 130' x 60' addition to an existing storage building. Mr. Larson referenced the map and site drawings available at the meeting. Mr. Larson stated the construction of

the building would be a fabric roof and a concrete foundation; similar to CD Terminal's other storage buildings.

Mr. Larson continued that as a condition of the Lease Agreement with the Port Authority, CD Terminal LLC is to receive consent from the Port Authority to make improvements or construct a structure on Port property. Mr. Larson noted the Port's consent is contingent upon CD Terminal LLC receiving approval from the City of Winona Inspections, Public Works, Planning, and Fire Departments.

A motion was made by Commissioner Alexander, and seconded by Commissioner Borzyskowski, to authorize the President and Executive Secretary to execute the Letter of Consent. All Commissioners present voted aye.

C. MN Department of Employment and Economic Development – Reuse of Revolving Loan Fund Dollars

Mr. Larson noted the One-Time Exception application is due to MN DEED on June 1, 2022. Mr. Larson referenced the agenda item noting the State RLF balance of \$260,000, of which \$100,000 has been committed to BCS and \$30,000 has been committed to Hiatt from the Local RLF.

Mr. Larson stated Port staff analyzed these elements to create a scenario that would allow the Port Authority to retain the largest cash balance and maximize the Port's flexibility of how the funds could be used. Mr. Larson stated the uses of the State RLF are more strict, relative to the Local RLF and the State RLF would not have allowed the Port Authority to administer their Emergency COVID Loan Fund as the Port did with their Local RLF.

Mr. Larson noted Port staff recommends using a State RLF base dollar amount of \$100,000, of which \$80,000 would be transferred to the Local RLF and \$20,000 would transferred to the State.

Mr. Larson continued that under this scenario, the projected State RLF year-end balance would be \$109,000 when taking into account on-going repayments and the projected cumulative year-end balance of both the State and Local RLFs \$446,000.

A motion was made by Commissioner Alexander, and seconded by Commissioner Borzyskowski, to proceed with presenting the information for the City Council's consideration and encouraging the City Council to favorably consider the One-Time Exception. All Commissioners present voted aye.

D. DEED Clean-up Grant Application 60 Main

Ms. McMartin noted history of the Port, Opportunity Winona, and 60 Main. Ms. McMartin noted the Port received Cleanup Grant funding when the Port was working with Sherman and Associates to develop the site. As the project stalled with Sherman Associates, DEED rescinded the funding.

Ms. McMartin noted the Port Authority has had a Phase I, Phase II and DRAP and a DRAP Amendment prepared for the site and that the Port Authority has been working closely with Landmark Environmental, LLC on cost estimates to implement the Response Action Plan. Ms. McMartin stated the next step is to apply for funding from MN DEED to remediate the site and that the City Council will be reviewing the approval of the application at their April 18, 2022 meeting.

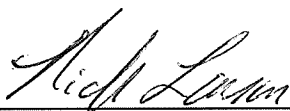
A motion was made by Commissioner Hansen, and seconded by Commissioner Lucas, to approve the resolution authorizing the application for DEED funding and to encourage the City Council to favorably consider the application. All Commissioners present voted aye.

5. FINANCIAL REPORT

Director of Finance Jessica Wojahn noted the year-end Financial Report will be presented to the Commissioners at the Port Authority's June 9th meeting.

6. ADJOURNMENT

A motion was made by Commissioner Hansen and seconded by Commissioner Johnson to adjourn the meeting. All Commissioners present voted aye. The meeting was adjourned at 4:25 pm.



Nick Larson
Development Coordinator



Mike Cichanowski
President

**PORT AUTHORITY OF WINONA
ROLL CALL AND VOTE SHEET
APRIL 14, 2022**

Name	Approval of Minutes Feb. 10, 2022	Nominating Committee	2 nd Amendment to Lease & Option 102 Walnut	1 st Amendment 998 Riverview Drive Lease	Proposed Purchase of HBC Property 67 Main & 58 Johnson	HBC Fiber Optic License Agreement	HBC Parking License Agreement	Consent 890 Riverview Drive	DEED— Reuse of RLF Dollars	DEED Clean-Up Grant 60 Main	Financial Report	Adjournment
Cichanowski	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	No Vote	Aye
Johnson	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	No Vote	2 nd & Aye
Gorman	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent	Absent
Borzyskowski	1 st & Aye	1 st & Aye	1 st & Aye	1 st & Aye	Aye	Aye	Aye	2 nd & Aye	2 nd & Aye	Aye	No Vote	Aye
Alexander	Aye	Aye	2 nd & Aye	2 nd & Aye	Aye	2 nd & Aye	1 st & Aye	1 st & Aye	1 st & Aye	Aye	No Vote	Aye
Hansen	Aye	2 nd & Aye	Aye	Aye	1 st & Aye	1 st & Aye	Aye	Aye	Aye	1 st & Aye	No Vote	1 st & Aye
Lucas	2 nd & Aye	Aye	Aye	Aye	2 nd & Aye	Aye	2 nd & Aye	Aye	Aye	2 nd & Aye	No Vote	Aye