

PORT AUTHORITY OF WINONA MINUTES

DATE: July 14, 2021

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

ABSENT: Commissioner Johnson

STAFF PRESENT: Director of Community Development Lucy McMartin, Development Coordinator Nick Larson, and Director of Finance 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 Alexander to approve the June 10, 2021 minutes. The motion carried with all Commissioners present voting aye.

A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Alexander to approve the June 23, 2021 Special Meeting minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

President Cichanowski noted a change to the agenda and stated the "Update from Winona Main Street" would be the first item of business.

3. NEW BUSINESS

A. Main Street Update

Winona Main Street Program Manager, Ben Strand, distributed a handout and provided an update to the Commissioners for the first half of 2021.

Mr. Strand informed the Commissioners of fifteen (15) new downtown businesses and one (1) business closing. Mr. Strand noted new businesses opening in downtown have stated they are doing so because of the recent downtown growth and development and there has been an increase of restaurants opening in downtown, with an additional prospect from Minneapolis that is looking to open a second location in Winona.

Mr. Strand noted the Chamber provided forty-two (42) grants to downtown businesses; totaling \$430,000, the value of downtown investments in buildings and land purchases, Main Street events and projects to support downtown, and thanked the Port Authority for their continued support.

Informational item; no vote required.

4. **OLD BUSINESS**

A. **998 Riverview Drive – Dock Rehabilitation Project**

Director of Community Development Lucy McMartin stated at the June 23, 2021, Port meeting, a motion was approved by the Commissioners to proceed with the dock rehabilitation by awarding the contract to the lowest bidder, Michels Corporation.

Ms. McMartin noted the item is to formalize the bid award & contract by resolution awarding the contract to Michels Corporation was presented for consideration.

A motion was made by Commissioner Alexander, and seconded by Commissioner Hansen to approve the official resolution awarding the contract to Michels Corporation. The motion carried with all Commissioners present voting aye.

RESOLUTION # 780

BE IT RESOLVED by the Port Authority of Winona, Minnesota, that it enter into a contract for 998 Riverview Drive Rehabilitation Project in accordance with the specifications dated May 19, 2021 and prepared by GRAEF USA, covering the same and on file in the offices of the Port Authority of Winona, and that the President and Executive Secretary execute the contract; and

BE IT FURTHER RESOLVED that the proposal to accept the low bid from Michels Corporation includes the base bid and Alternates A and B for a total of \$1,085,127, it being the most favorable proposal received and it being the lowest responsible bidder therefore, be and the same is hereby accepted, and that the bidder execute said contract and furnish bond in the amount of as required by the specifications or by law.

B. **Parcel 81 Sale of Property to Fastenal Company**

Ms. McMartin noted Fastenal Company has acquired all of the properties on the block across the street from the former YMCA, with the exception of Parcel 81, which the Port Authority purchased from MnDOT in January for \$30,000.

Ms. Martin stated the Port Authority held a Public Hearing on May 13, 2021, to consider the sale of Parcel 81 to Fastenal Company. Ms. McMartin noted the Commissioners approved by motion for staff to proceed with a Purchase Agreement and Quit Claim Deed for the sale of Parcel 81 to Fastenal Company.

General discussion occurred regarding the parcel being used for parking that a parking ramp is not being considered at this time, and the UDC requires a separation barrier of shrubbery or fencing between the parking area and sidewalks.

Ms. McMartin stated a resolution for the President and Executive Secretary to execute a Purchase Agreement and Quit Claim Deed are presented for the Commissioner's review.

A motion was made by Commissioner Alexander, and seconded by Commissioner Hansen to approve the attached resolution authorizing the President and Executive Secretary to execute the Purchase Agreement and Quit Claim Deed. The motion carried with all Commissioners present voting aye.

RESOLUTION # 2021-781

RESOLUTION BY THE PORT AUTHORITY WINONA APPROVING THE SALE OF REAL PROPERTY IN WINONA, MINNESOTA, AND DISPENSING WITH REVIEW OF THE SALE BY THE WINONA PLANNING COMMISSION

WHEREAS, the Port Authority of Winona (the "Port"), pursuant to Minnesota State Statutes, Section 469.065, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority of Winona, of a public hearing of the proposed sale of property owned by the Port in a legal newspaper, said hearing to be held to determine whether it is in the best interest of the Port district and the people thereof, and in furtherance of the general plan of the Port and economic development in the Port district to sell the land described in Exhibit A, which is attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the Property described in Exhibit A is owned by the Port and was recently purchased by the Port for \$30,000 from the Minnesota Department of Transportation following the completion of the Highway 43 bridge project in order to facilitate economic development in downtown Winona; and

WHEREAS, Fastenal Company Purchasing ("Fastenal" or the "Buyer") has submitted a proposal to purchase the Property described in Exhibit A for use as a parking lot as part of Fastenal's larger, ongoing new commercial office building located in downtown Winona (the "Project"); and

WHEREAS, Fastenal, as part of the Project, has purchased all of the land around the Property and now desires to acquire this remaining small parcel containing 7,981 square feet in incorporate the same into and in support of its larger Project; and

WHEREAS, Fastenal's Project is integral to economic vitality of the City of Winona and revitalization of the downtown area by creating a new commercial office building in downtown Winona, increasing tax base for the City, utilizing underutilized stagnant and dilapidated property, and bringing upwards of 300 employees to downtown Winona who will patronize local restaurants and businesses during working hours; and

WHEREAS, Fastenal needs the Property in order to have sufficient parking for all of the employees who will be working at its new downtown office building; and

WHEREAS, pursuant to Minnesota Statutes, Section 469.065, subd. 7, a conveyance of the Property must not be made until the Buyer gives the Port plans and specifications for the Project to develop the Property sold by the Port to the Buyer, and the Port must approve the plans and specifications in writing; and

WHEREAS, the Port has investigated the facts of the proposed sale of said Property, the terms and conditions of said sale, received and reviewed the preliminary Project plans and specifications, the proposed use of said Property, and the relation of the Project use to the improvement of business, economic development and job retention and creation in the City of Winona and the Port district in general; and

WHEREAS, the Buyer is willing to purchase the Property from the Port for the purchase price of Thirty Thousand and No/100ths Dollars (\$30,000); and

WHEREAS, a draft Purchase Agreement and Quit Claim Deed for conveyance of the Property to the Buyer for the Project has been prepared and is attached hereto as Exhibit C; and

WHEREAS, in accordance with the attached draft Purchase Agreement, the Port and Buyer expressly understand and agree that the sale of the Property is contingent upon approval by the Board of Commissioners of the Port; and

WHEREAS, if any transaction approval as provided in the Purchase Agreement is not obtained by the closing date stated in the Purchase Agreement, the Purchase Agreement shall then be null and void, without further obligation by either party; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2, provides that no publicly owned interest in real property within a municipality shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposition and reported in writing to the governing body of the Port its findings as to compliance of the proposed acquisition or disposition with the comprehensive plan; and

WHEREAS, the same statute further states, however, that the governing body may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan; and

WHEREAS, the proposed conveyance of the Property, presented by the Buyer, meets the terms and conditions set forth by the Port as its guide in determining if such proposals are in the best interest of the Port district and the public.

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

1. The Board of Commissioners hereby finds, determines, and declares that it is in the best interest of the Port district and the people thereof and in furtherance of the general Port plan to sell the Property to the Buyer for the Project pursuant to the plans and specification for the Project on the Property.

2. The Board of Commissioners hereby approves the Project plans and specifications for the Project as submitted by the Buyer attached hereto as Exhibit B and finds, determines and declares that the same are in the best interest of the Port district and the people thereof and in furtherance of the general Port plan.

3. The Board of Commissioners hereby finds that the proposed sale of the Property for the Project has no relationship to the Winona Comprehensive Plan, and therefore review of the proposed sale by the Winona Planning Commission is not required under Minnesota Statutes, Section 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

4. The actions of the Executive Secretary of the Port Authority of Winona in causing public notice of the proposed sale and in describing the terms and conditions of such sale and Project, which have been available for inspection by the public at the office of the Port Authority from and after the publication of the hearing, are in all respects ratified and confirmed.

5. The Property is being sold for \$30,000.00 in accordance with the terms and conditions contained in the Purchase Agreement and Quit Claim Deed attached hereto as Exhibit C.

6. The Board of Commissioners hereby approves the attached Purchase Agreement and exhibits thereto in order to accomplish the sale of that certain Property described therein, and authorizes and directs the President and Executive Secretary to execute the Purchase Agreement substantially in the form hereby approved, allowing for minor or technical changes as determined by the City Attorney, and such other documents, including but not limited to the approved Quit Claim Deed, as are necessary to accomplish the conveyance and close on the sale of the Property by the Port to Fastenal Company. The Buyer shall record the requisite instruments of sale, as applicable, in the Office of the Winona County Recorder.

5. FINANCIAL REPORT

Director of Finance Jessica Wojahn noted the June Financial Report was standard.

Commissioner Lucas asked when funds would be taken out of the General Fund for the Dock Rehabilitation Project.


Ms. McMartin noted she will provide Ms. Wojahn with a memo to transfer the funds upon the approval of the meeting minutes. Ms. McMartin informed the Commissioners that payments for the Emergency COVID Loans are being repaid and the amount received is noted on page 13 on the monthly Financial Report under "Local Economic Development Fund".

President Cichanowski noted that 560 barges by the end of June is good activity.

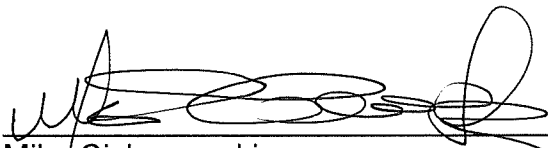
Commissioner Lucas asked if other commodities, such as wind mill blades are expected to enter the harbor. Ms. McMartin noted there are not.

6. ADJOURNMENT

A motion was made by Commissioner Alexander and seconded by Commissioner Lucas to adjourn the meeting. The motion carried with all Commissioners present voting aye. The meeting was adjourned at 4:15 pm.



Nick Larson
Development Coordinator



Mike Cichanowski
President