

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Tuesday, January 12, 2010.

Commissioner Zellmer called the meeting to order at 7:30 a.m. The following were present: Commissioners Kirschbaum, Zellmer, Abbott, Steiner and Arnold, Executive Vice President Sande, Finance Director Mork and Secretary Gehrke. Absent: Commissioners Hensel and Knutson.

#### Approval of the Minutes

On a motion by Commissioner Steiner, seconded by Commissioner Kirschbaum, the minutes of the Port Authority meeting of December 17, 2009 were approved.

#### Finance

##### A. Approval of Bills – October-December 2009

Finance Director Mork presented the Port Authority expenditures for the months of October through December 2009. Commissioner Kirschbaum moved, seconded by Commissioner Steiner, to approve the Port Authority expenditures for October-December 2009. Vote on the motion: Kirschbaum, Zellmer, Abbott, Steiner and Arnold, aye; no nays. Motion carried.

##### B. Approval of 2010 Budget

Finance Director Mork presented the 2010 Port Authority Budget which was previously approved by the City Council. He reviewed each of the funds noting that only the funds in the Port Authority General Fund are derived from tax levy. Executive Vice President Sande reported that 2009 was a significant year for economic development with the completion of Howard Drive West which received a state grant in the amount of \$250,000, the reorganization of Thin Film which also received a state grant in the amount of \$250,000 and the pending infrastructure grant for the Marigold Project in the amount of \$128,000. Executive Vice President Sande reported the City's and Port Authority's bond ratings were upgraded to AA resulting in lower borrowing costs for both entities. Mayor Zellmer reported the utility fee went into effect in 2008 which is to be used for economic development. Due to budget constraints, a portion of these funds were transferred to the City's General Fund. Commissioner Abbott moved, seconded by Commissioner Arnold, to approve the 2010 Port Authority Budget. Vote on the motion: Kirschbaum, Zellmer, Abbott, Steiner and Arnold, aye; no nays. Motion carried.

##### C. Approve Closeout of BDPI Grant

Finance Director Mork reported an agreement was entered into with the Minnesota Department of Employment and Economic Development for Greater Minnesota Business Development Public Infrastructure Grant #BDPS-08-0014-0-FY09 in the amount of \$250,000 for the extension of Howard Drive West in the industrial park. He reported this project was substantially completed in the fall of 2009 and requested approval for submission of the documents to DEED to close out the grant. Commissioner Arnold moved, seconded by Commissioner Steiner, to approve the

closeout of Grant #BDPS-08-0014-0-FY09. Vote on the motion: Kirschbaum, Zellmer, Abbott, Steiner and Arnold, aye; no nays. Motion carried.

Report of Executive Vice President

A. Extension Approval – Marigold Project

Executive Vice President Sande presented a letter from the Department of Employment and Economic Development approving the request for extension of the infrastructure grant for the Marigold Project. He reported the developer has until February 1, 2010 to provide a commitment letter from a financial institution for the required financing for the project. Once the financing obligations are met, the developer will provide a comprehensive proposal and timeline for the project.

B. Grant Request from Christy's Cafe

Executive Vice President Sande presented a grant request from the owners of Christy's Café for the balance of funds available to them under the Central Business District Grant Program. He reported the Christy's project began before formal adoption of the CBD Grant Program, but they were assured that all businesses in the CBD would have equal access to the program. Commissioner Steiner moved, seconded by Commissioner Kirschbaum, to approve the balance of the grant to Christy's Café in the amount of \$6,350 for a total of \$25,000. Vote on the motion: Kirschbaum, Zellmer, Abbott, Steiner and Arnold, aye; no nays. Motion carried.

C. Update – Right-of-Way Acquisition 14/41/Carlson

Executive Vice President Sande reported appraisals for right-of-way acquisition in the industrial park area have been completed and reviewed. The appraisals are being submitted to the Nicollet County Board for final approval and offers are going out to the affected property owners. It is planned the right-of-way acquisition will be completed on or before April 1, 2010 and the Council will consider the 14/41/Carlson Drive Project for a spring bid letting with a June start date. The underground improvements and aggregate base will be completed in 2010 with surface improvements scheduled for 2011. He reported funding for this \$6.4 million project will come from the City's share of the gas tax (\$3.0 million), County's share of the gas tax (\$1.0 million) and ATP federal highway monies (\$1.3 million), with a portion assessable to benefitting properties and derived from Chapter 429 Bonding.

D. Concept Plan – Industrial Park Expansion

Executive Vice President Sande presented a drawing of the construction plans and the proposed lot layout of the 14/41/Carlson Project. He reported the completion of the proposed improvements will provide access to a significant amount of additional industrial and commercial real estate for future expansion. The future extension of Ringhofer Drive will provide access to additional lots.

Other Business

A. Trails

Executive Vice President Sande reported 2010 construction is anticipated for the bike trail to be extended from T.H. 14 along CSAH 41 to Minnemishinona Falls which

will be funded with Federal ATP funds and state gas tax funds. A request has been submitted for extension of the bike trail from LorRay Drive down Highway 14 to eventually connect with the Sakatah Trail.

Open Meeting to the Public

Commissioner Zellmer opened the meeting to the public with no one appearing.

There being no further business, the meeting was adjourned at 8:07 a.m.

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Commissioner Zellmer

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Secretary Gehrke