

MINUTES
PORT AUTHORITY SPECIAL MEETING
WEDNESDAY, SEPTEMBER 11, 2013
4:30 P.M.
COUNCIL CHAMBERS ROOM

Members Present: Commissioners Jerry McCarthy, Jerry Mohrfeld, Michael Bednar, Roger Boughton, Lee Bjorndal and Larry Maus.

Members Absent: Commissioner Jeff Austin.

Staff Present: Port Authority Assistant Attorney Craig Byram, Port Authority Secretary Tom Dankert and Port Authority Executive Director Jim Hurm.

Others Present: John Garry of the DCA, Jon Erichson, and Austin Daily Herald.

President McCarthy called the meeting to order at 4:30 pm.

Item #2. – Approval of the minutes of the August 7, 2013 special meeting: Motion by Commissioner Boughton, seconded by Commissioner Mohrfeld, to approve the minutes of the August 7, 2013 Port Authority meeting. Carried 6-0.

Item #3. – Approve design service contract for the Hormel Institute expansion project – Jon Erichson: Jon Erichson handed out new backup material in regards to hiring an architect for the design services of the Hormel Institute expansion. Mr. Erichson noted four firms were interviewed, and the RSP firm was ultimately approved by the design committee. This has been on hold for several months as we waited for the Hormel Foundation and Hormel Institute to create a business plan as required by the state to gain access to the bonding dollars. Additionally, there has been a relatively new request to add a 250 seat auditorium to the facility. Mr. Erichson stated out budget is 15 labs and \$27 million. Mr. Erichson stated we will design and build the facility as a Port Authority, as this building is required to be owned by the Austin Port Authority.

Mr. Erichson discussed the proposed fees for the design services, noting the agreement calls for a 6.65% fee of the \$22 million estimated construction budget. Mr. Erichson recommended the approval of the agreement with RSP (once it has been reviewed by the Port Authority attorney's office).

Motion by Commissioner Bednar, seconded by Commissioner Boughton to authorize the signing of the contract with RSP Architects for design services for the Hormel Institute expansion, contingent upon satisfactory review by the attorney's office. Carried 6-0.

Item #4a. – Robinson Building – lease with Cedar Valley Services: Mr. Dankert proposed a lease with Cedar Valley Services for 3,000 square feet of warehouse space for 6 months in the Robinson Building. Cedar Valley Services is going through a remodel right now, so they need to move some stuff around to make room for the remodel job. The rent is \$950 per month all inclusive.

Motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld to approve of the 6 month lease with Cedar Valley Services for \$950 per month at the Robinson Building. Carried 6-0.

Mr. Dankert noted Cedar Valley Services may be interested in the finished office space, but we have yet to reach an agreement on the rent associated with such.

Item #4b. – Robinson Building – lease with Ellumilite: Mr. Garry noted Ellumilite is actively seeking investors for their company, but has turned their keys over to the Austin Port Authority for their building space. Mr. Garry noted this was an update only, and that we need to work with the Initiative Fund as to when they need to either see some payment from Ellumilite or liquidate their equipment.

Item #4c. – Robinson Building – lease with Gobe Golf: Mr. Dankert noted Gobe Golf has not moved out their 52 pallets of golf shoes yet, so we have physically moved them to the warehouse space that Jay Nelson is currently leasing part of. Gobe Golf is sending us a check for \$500 per month to store the shoes until he can get them liquidated. This is for informational purposes only.

Item #4d. – Robinson Building – lease with Lipid Technologies: Mr. Hurm discussed a new lease to replace the lease that is expiring at the end of September. Lipid Technologies is no longer in need of the office space, but would like to keep the laboratory space. Mr. Hurm has reached an agreement for \$275 per month for this smaller area.

Motion by Commissioner Mohrfeld, seconded by Commissioner Boughton to approve of the 12-month lease with Lipid Technologies for \$275 per month all inclusive. Carried 6-0.

Item #5. – Executive Director Report: None.

Item #6. – Any other business: None.

Item #7. Adjournment: With no further business, motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld to adjourn the meeting at 5:05 pm. Carried 6-0.

Approved: _____

President: _____

Secretary: _____