

MINUTES
PORT AUTHORITY REGULAR MEETING
WEDNESDAY, JANUARY 27, 2021
4:30 P.M.
LOWER-LEVEL CONFERENCE ROOM

Members Present: Commissioners Jerry McCarthy, Lee Bjorndal, Jason Baskin, and Jerry Mohrfeld.

Members Appearing via Zoom: Commissioner Chuck Moline.

Members Absent: Commissioner Jeff Austin and Michael Bednar.

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

Others Present via Zoom: Mayor Stephen King, John Garry (DCA), Bob Westra (President of WDS/JCW) and Deneita Schreier (CFO of WDS/JCW).

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

Mayor King addressed the Port Authority Board and thanked them for their important service to the citizens of Austin.

Item #2. – Approval of minutes of the September 23, 2020 regular meeting: Motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld to approve the minutes of the September 23, 2020 regular meeting. Carried 5-0.

Item #3. – Claims for Payment: Mr. Dankert discussed the claims paid from September 11, 2020 through January 7, 2021 noting in total, payments made were \$123,715.76. Mr. Dankert noted some of the large unusual payments as follows:

- \$5,000 to the Austin HRA for payment on the original \$50,000 Oak Park Mall redevelopment 0% interest loan.
- \$45,218.54 to HPW LLC for the first draw on their loan for the redevelopment of the former Paradise Island/The Ville buildings.
- \$70,000.00 to HPW LLC for the 0% sprinkler loan at the former Paradise Island/The Ville buildings that were recently sold.

Motion by Commissioner Mohrfeld, seconded by Commissioner Bjorndal to approve the claims for payment as presented. Carried 5-0.

Item #4. – Election of Officers: Mr. Dankert noted this is the annual meeting for which officers need to be elected. Motion by Commissioner Moline, seconded by Commissioner Bjorndal to approve the officers for 2021 as follows:

President	Jerry McCarthy
Vice President	Jeff Austin
Treasurer	Lee Bjorndal
Secretary and Assistant Treasurer	Tom Dankert

Carried 5-0.

Item #5. – Approve Sale of Property located at 102 Main Street S. (PIN 34.095.0020) to MetroFibernet, LLC DBA/MetroNet: Mr. Clark presented a signed purchase agreement from MetroNet for the acquisition of the property located at 102 Main Street South. This property was acquired as part of the Plunkett Law office acquisition by the City of Austin, and then transferred over to the Port Authority. The proposed purchase price is \$50,000 and is contingent upon an environmental review. A Phase I review indicated a repair garage on the property, so MetroNet is in the process of doing a Phase II study. If something comes back with the Phase II evaluation then both parties may back out or re-address the contract at that time. Closing would be 30-90 days after the effective date. As for all Port Authority property sales, there is the standard 20-day objection period for citizens to contest the agreement, so the contract cannot be signed until that expires.

After further discussion, motion by Commissioner Bjorndal, seconded by Commissioner Moline to approve the Purchase and Sale Agreement with MetroNet and to authorize the President and Secretary to sign the agreement. Carried 5-0.

Item #6-7-8. – Approve Developer’s Agreement with WDS/JCW and Approve the Sale of Property PINS 34.156.0030 and 34.156.0060 to WDS/JCW: Mr. Clark presented a signed Contract for Private Redevelopment with JCW Development LLC and W.D.S. Construction Services, LLC for the sale of two parcels in the Creekside Business Park. The sale price is \$10 and includes additional costs for road extensions. The property will be used to construct a 60,000 square foot production facility for NuTek Bioscience for a vegetable and yeast-based proteins/peptones for the Pharma and Food industries. The estimated assessed valuation should be between \$4.3 million and \$4.7 million and will provide 35 good paying jobs within a two-year period. WDS/JCW will construct a building with a minimum actual cost of \$16 million, with an additional \$16 million in equipment for the facility.

In addition, the City Council approved some incentive packages and applications have been forwarded to the State of Minnesota for some additional state funds. Mower County is considering a \$2.5 million loan package as part of the deal also.

Mr. Clark also noted the developer has requested that we combine the two lots as part of the development, so we would also request Port Authority approval to do such.

Development Corporation of Austin (DCA) Executive Director John Garry thanked all for their work on this project that will add great jobs to our community.

Ben Westra, President of JCW thanked staff for their hard work and for having a site ready for this development. Ben noted working with Austin staff on this project was a great experience and went quickly and smoothly.

Motion by Commissioner Baskin, seconded by Commissioner Bjorndal to approve the sale and to authorize the President and Secretary to execute the Contract for Private Development after the 20-day objection period. Carried 5-0.

Motion by Commissioner Bjorndal, seconded by Commissioner Moline to authorize staff to complete the combining of the two parcels as requested. Carried 5-0.

Commissioner Moline encouraged the developers to use as many local subcontractors as possible. Mr. Westra noted his intentions to do such and asked staff to forward them contractors that have showed interest in the project.

Item #9. – Executive Director Report: None.

Item #10. – Any other business: None.

Item #11. Adjournment: With no further business, motion by Commissioner Mohrfeld, seconded by Commissioner Bjorndal to adjourn the meeting at 4:59 pm. Carried 5-0.

Approved: _____

President: _____

Secretary: _____