

**MINUTES**  
**PORT AUTHORITY REGULAR MEETING**  
**WEDNESDAY, OCTOBER 5, 2022**  
**4:00 P.M.**  
**CITY COUNCIL CHAMBERS**

**Members Present:** Commissioners Jerry McCarthy, Michael Bednar, Jeff Austin, Tim Ruzek, and Lee Bjorndal.

**Members Absent:** Commissioners Jason Baskin and Chuck Moline.

**Staff Present:** Public Works Director Steven Lang, Port Authority Attorney Craig Byram, Port Authority Executive Director Craig Clark, and Port Authority Secretary Tom Dankert.

**Others Present:** Pat and Angela Harty, Elaine Hansen, Members of the Austin Chamber of Commerce, Tanya Medgaarden representing the DCA, Council Member Geoff Baker, Austin Utilities General Manager Mark Nibaur.

President McCarthy called the meeting to order at 4:00 p.m.

**Item #2. – Approval of minutes of the June 27, 2022 regular meeting:** Motion by Commissioner Ruzek, seconded by Commissioner Bednar to approve the minutes of the June 27, 2022 regular meeting. Carried 5-0.

**Item #3. – Approve claims for payment April 1, 2022 to September 22, 2022:** Mr. Dankert discussed the claims for payment, noting large checks to HPW, LLC for the construction loan, sprinkler loan, and easement purchases for the former Paradise Island and The Ville. Commissioner Ruzek questioned the \$600 bill for “O’Leary property damage”. Mr. Dankert clarified it is for drainage not damage.

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

**Item #4. – Harty Mechanical Offer for Land Purchase of a 10-acre Portion of 34.156.0110:** Patrick and Angela Harty made a presentation on the history of their company and a request to purchase 10 acres of land in the Creekside Business Park from the Port Authority to relocate their business as they have outgrown their current facility. The Harty’s noted they have been in business since 1979 and in their current location since 2006. Additionally, they have a 3-year average of 90 employees with 20 of them living directly around Austin. The current facility is not large enough to do fabrication on site, which will be needed to stay competitive in this market. The Harty’s noted they would like to do Phase I with a 7,500 square foot office space and a 22,500 square foot fabrication space, totaling around \$3 million. Phase I will add 5 new positions. Phase II would add a 10,000 square foot cold storage building, with a potential Phase III adding additional fabrication space.

Commissioner Ruzek questioned if this location would be a long-term solution for the company. Mr. Harty noted easy access to I90 and Highway 218 are key to this location, as they looked at several locations around the community for this facility.

Commissioner Bjorndal questioned the job creation. Mr. Harty noted he would hire 5 new employees right away, and that instead of reducing land cost etc. through TIF or tax abatement he wanted to just do a straight up deal for the land. Commissioner Bjorndal clarified that there would be no TIF on this project. Mr. Harty stated he has not looked at TIF at this time.

Tanya Medgaarden noted as a member of the Executive Committee of the Development Corporation of Austin (DCA) that 80% of a community's growth comes from business within, and that the DCA is 100% in support of this project.

Geoff Baker noted he applauded Commissioner Austin's efforts to get this project to the table. Mr. Baker noted he is very interested in expanding contractor capacity in Austin. Nu-Tek was a good deal, but we should also be looking at this project independently as another new deal. Mr. Baker noted there is no TIF request, the job growth will probably be even higher than Harty's have predicted, and at the pay rates they have would be just as advantageous to Austin as Nu-Tek. There is also plenty of land in the Creekside Business Park, so if a few others also want 10 acres, then there is still plenty of room left over. Mr. Baker further noted that the current infrastructure cost is money long gone, and it is time to turn this land into productive space. Mr. Baker stated if others do want this same deal, then great, it shows Austin businesses are growing.

Elaine Hanson, the Executive Director of the Austin Chamber of Commerce noted that this is a great generational business and would encourage the Port Authority to move forward with this proposal.

Scott Fox of Fox Electric noted he will second what Geoff Baker stated, noting he expanded his restaurant space in downtown Austin at a cost of \$250,000, added 10 employees, and has seen his summer sales increase 35% because of his investment. Prefabrication in the business is now huge, and he is in total support of this project.

Commissioner Austin stated this business could go anywhere, but they want to stay in Austin. If we don't get them some land here in Austin and they leave, we will look like fools.

Public Works Director Steven Lang noted his department manages the City infrastructure, and questioned the need for the immediate ten acres or if the project could be phased in to allow for future road north of this property. Mr. Harty noted we could have the road conversation once a design plan is in place, but need to secure all of the land now for the project.

After further discussion, motion by Commissioner Austin, seconded by Commissioner Ruzek to close the meeting at 4:37 p.m. Carried 5-0.

**See DVD of closed meeting.**

Motion by Commissioner Austin, seconded by Commissioner Ruzek to open the meeting at 5:40 p.m. Carried 5-0.

**Item #5. – HRA Port Appointed Member:** President McCarthy stated he has been the Port Authority’s appointed person to the HRA Board for 10+ years now and thinks it is time for somebody else to take that over. Tim Ruzek volunteered for such.

Motion by Commissioner Austin, seconded by Commissioner Bjorndal to approve Tim Ruzek as the Port Authority’s representative on the HRA Board. Carried 5-0.

**Item #6. – Executive Director Report:** Mr. Clark noted we will need a meeting soon to approve a new lease with International Paper at the Walker Building. Mr. Clark is working on lease rates as we speak.

Mr. Clark noted the owner of the Shopko facility questioned if the Port Authority wanted to incentivize leases at the building. After discussion, it was decided to stay out of the retail market.

**Item #7. – Any other business:** None.

**Item #8. Adjournment:** With no further business, motion by Commissioner Austin, seconded by Commissioner Bjorndal to adjourn the meeting at 5:48 pm. Carried 5-0.

Approved: \_\_\_\_\_

President: \_\_\_\_\_

Secretary: \_\_\_\_\_