

MINUTES
PORT AUTHORITY REGULAR MEETING
WEDNESDAY, JANUARY 22, 2025
4:30 P.M.
CITY COUNCIL CHAMBERS

Members Present: Commissioners Jason Baskin, Lee Bjorndal, Geoff Smith, Michael Bednar, Jeff Austin, and Tim Ruzek.

Members Absent: Commissioner Kris Heichel.

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

Others Present: None.

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

Item #2. – Election of Officers: Mr. Dankert noted this is the annual meeting for which officers need to be elected. Commissioner Smith made a motion as follows, seconded by Commissioner Bednar without further discussion:

President	Jason Baskin
Vice President	Jeff Austin
Treasurer	Lee Bjorndal
Secretary and Assistant Treasurer	Tom Dankert

Carried 6-0.

Item #3. – Approval of minutes of the December 18, 2024 special meeting: Motion by Commissioner Ruzek, seconded by Commissioner Austin to approve the minutes of the December 18, 2024 special meeting. Carried 6-0.

Item #4. – Claims for Payment: Mr. Dankert discussed the claims paid from October 11, 2024 through January 3, 2025 noting in total, payments made were \$6,173.27. Mr. Dankert noted the only unusually large payment as follows:

- \$5,000 to the Austin HRA for payment on the original \$50,000 Oak Park Mall redevelopment 0% interest loan.

Motion by Commissioner Bednar, seconded by Commissioner Ruzek to approve the claims for payment as presented. Carried 6-0.

Item #5A. Closed session under Minnesota Statute 13D.05, subd. 3(c) for the purpose of consideration of NuTek renewal of the Option to Purchase and Right of First Refusal agreement.

Item #5B. Closed session under Minnesota Statute 13D.05, subd. 3(c) for the purpose of consideration of Right of First Refusal and Option to Purchase on parcels 08.035.0050 and 08.035.0020.

Motion by Commissioner Austin seconded by Commissioner Bjorndal to close the session under Minnesota Statute 13D.05, subd. 3(c) for the purpose of consideration of NuTek renewal of the Option to Purchase and Right of First Refusal agreement AND close the session under Minnesota Statute 13D.05, subd. 3(c) for the purpose of consideration of Right of First Refusal and Option to Purchase on parcels 08.035.0050 and 08.035.0020 at 4:35 p.m. Carried 6-0.

See DVD of Closed Session.

Motion by Commissioner Austin, seconded by Commissioner Bednar to open the closed meeting at 5:03 p.m. Carried 6-0.

Item #6. – Any possible action on consideration of NuTek renewal of the Option to Purchase and Right of First refusal agreement: Motion by Commissioner Austin, seconded by Commissioner Ruzek to approve of the following with NuTek:

- Option to Purchase agreement = \$25,680
- Right of First refusal = \$4,984

Both payments due upon signing by all parties. Carried 6-0.

Item #7. – Any possible action on consideration of Right of First Refusal and Option to Purchase on parcels 08.035.0050 and 08.035.0020: Motion by Commissioner Bjorndal, seconded by Commissioner Austin to not exercise the Option to Purchase and Right of First Refusal agreement on parcels 08.035.0050 and 08.035.0020. Carried 5-1 (Commissioner Ruzek = Nay).

Item #8. – Discuss Port Authority property improvement of 25-acre and 13-acre parcel:

Mr. Clark noted the City approved a bid to Carr's Tree Service to remove some trees that are affected by Emerald Ash Borer. Mr. Clark contacted the tree service to see about a cost to remove some scrub trees and grind stumps at our 25-acre property and the 13-acre property by the Interstate Kwik Trip. This tree removal might make the property look better for marketing purposes. Carr's Tree Service has quoted us \$20,000 to do such work and Mr. Clark recommends approval.

Commissioner Ruzek questioned if the tree removal would really do that much to improve the look to the areas. Mr. Clark noted a realtor would tell you to clean up your house to have a better chance at selling the house, and at a higher price. This is our attempt to "clean up" the area. Mr. Ruzek noted he thought the money would be better spent elsewhere.

Motion by Commissioner Austin, seconded by Commissioner Bednar to approve the contract with Carr's Tree Service for \$20,000 to remove some scrub trees on these two plots of Port Authority land. Carried 5-1 (Commissioner Ruzek = Nay).

Item #9. – Executive Director Report: Mr. Clark received an agreement from NAJ Legacy to get a "Brokers Opinion of Value" of the Walker Building in an effort to see what the market rate for this facility is in Austin. The agreement is for \$1,200 and was previously approved to get this done at a prior Port Authority meeting. This is for informational purposes only.

The City is in the process of completing a Comprehensive Plan, and noted that if Port Authority Board members want to attend the meetings to get involved in the plan, that there are several meetings coming up. Mr. Clark noted it is very important to get as many people involved as possible.

Mill on Main, second phase, is still being worked on by the developer.

Mr. Clark discussed the strategic plan and a PowerPoint presentation of the I-90 Business Park and Creekside.

- Mr. Clark noted a laundry list of things we need to look at including subdividing and paying for the project. The 13-acre site has an estimate of \$807,471 for a cul-de-sac and road per a 2023 estimate. Additionally, there could be in excess of \$2 million in cleanup costs.
- On the 25-acre site has an estimated \$1,085,000 in street costs, plus another \$1,048,000 for retention ponds.
- Creekside has an estimated \$1,060,000 of costs if we want to add 5th Street NW as a cul-de-sac.

Commissioner Bjorndal asked if we have any serious calls on these properties. Mr. Clark noted not really, but DEED is bringing forward much larger projects that would exceed our acreage here. DCA did do a rail analysis in Creekside, and it is not a much-used track.

Commissioner Smith questioned state funds for the clean up of the 13-acre site. Mr. Clark noted to get DEED grants, you need to have a project in place. We could put a parking lot over the contaminated area, which then reduces the total cost.

Item #10. – Any other business: None.

Item #11. Adjournment: With no further business, motion by Commissioner Bjorndal, seconded by Commissioner Austin to adjourn the meeting at 5:30 pm. Carried 6-0.

Approved: _____

President: _____

Secretary: _____