

PORT AUTHORITY OF WINONA MINUTES

DATE: June 11, 2020

PRESENT: Commissioners: Johnson, Thurley, Borzyskowski, Gorman, Lucas, Hansen and Executive Secretary Sarvi

ABSENT: President/Commissioner Cichanowski

STAFF PRESENT: Director of Community Development Lucy McMartin, Finance Director Mary Burrichter, Financial Analyst Jessica Wojahn, Senior Accountant Allyn Burgmeier, and Development Coordinator Myron White

1. CALL TO ORDER – APPROVAL OF MINUTES

The meeting was called to order at 4:00 PM by Vice President Johnson. A motion was made by Commissioner Thurley and seconded by Commissioner Hansen to approve the May 14, 2020 minutes. The motion carried with all Commissioners present voting aye.

2. REMARKS BY PRESIDENT

Vice President Johnson remarked that due to COVID19, Prairie Island Campground has been closed to short term campers and noted that it may be an opportunity to address maintenance issues and improvements at the campground. Vice President Johnson indicated that the last significant improvement to the campground dated back to 1995 and were funded with help by the Port Authority. He noted that the City may look to the Port Authority to help fund improvements via an interfund loan or some other mechanism.

Commissioner Thurley commented that in 1995 the funding provided by the Port Authority was paid back using lodging tax.

Informational, no action taken.

3. NEW BUSINESS

A. Presentation of 2019 Annual Financial Report

Finance Director Burrichter introduced staff from the auditors Deloitte and Touché. Director Burrichter went on to provide some of the City's economic highlights for 2019. Building permits in 2019 were \$83 million and the average over the last 10 years is \$35 million. That increase was fueled by strong commercial activity, especially in Winona's downtown. It was also noted that both the City and the Port have retained a strong financial position (Moody bond rating of Aa1). That rating is bolstered by a robust financial position, a modest debt burden, diversified tax base and the fact that Winona is a regional center.

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The Port was issued a clean review of finances.

A motion was made to accept the 2019 Annual Financial Report as presented by Commissioner Lucas and seconded by Commissioner Borzyskowski. All Commissioners present voted aye.

B. Hemker – Assignment and Assumption

Vice President Johnson provided an overview of the 2011 lease agreement between the Port Authority and the Robert Hemker Estate (Hemker).

Director of Community Development McMartin provided further insight that the agreement with Hemker was for lots 1, 2 and 3 in the Technology Park (a map was provided). The lease agreement provided an option to purchase with 25% of the rent proceeds being credited towards the agreed-upon purchase price. The purchase price was to be \$192,000 with rent credits bringing the land cost to \$148,785.20.

The Hemker's were approached by Winona Nursery. The Nursery would like to acquire Hemker's interest in the property for use as a professional landscaping business. Ms. McMartin noted that the property's soil conditions, while being less than ideal, would be adequate for the intended use of the property. She went on to outline the process and components of the resolution to facilitate the sale. In this instance, an Assignment and Assumption of the lease and option would be appropriate.

Brief discussion ensued regarding the steps included in the sale and the authorization for the owners to use Port Authority sand for the development of this site. Following discussion, a motion was made by Commissioner Borzyskowski and seconded by Commissioner Hansen to approve the proposed resolution and include the Port's provision of sand for the construction project. All Commissioners present voted aye.

C. Riverview Park Subdivision – Outlot D

Vice President Johnson recused himself and passed the gavel to Treasurer Mike Hansen.

Director of Community Development McMartin reported that Port staff has been working with Fastenal Company on their Downtown Expansion Project. Ms. McMartin provided a map and indicated Fastenal has expressed an interest in a portion of the Port owned Outlot "D" adjacent to the Fastenal

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property. The Port's 5,500 sq. ft. Outlot would be used for snow storage, parking, landscaping or other accessory uses.

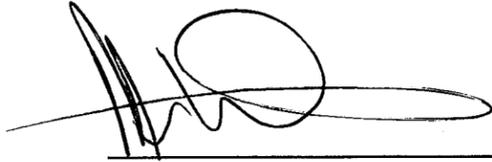
A motion was made by Commissioner Borzyskowski and seconded by Commissioner Thurley to set a public hearing and present the proposed sale of property at a future Port meeting. All Commissioners present voted aye.

4. FINANCIAL REPORT

The Annual Financial Report served as the monthly report.

5. ADJOURNMENT

The meeting was adjourned at 4:50 pm.



Myron White
Development Coordinator

DocuSigned by:
Dana Johnson

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Dana Johnson
Vice President