

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Wednesday, April 23, 2008.

President Hensel called the meeting to order at 7:30 a.m. The following were present: Commissioners Abbott, Steiner, Knutson, Arnold, Hensel, Kirschbaum and Zellmer, Executive Vice President Sande, Finance Director Mork and Secretary Gehrke.

Approval of the Minutes

On a motion by Commissioner Knutson, seconded by Commissioner Zellmer, the minutes of the Port Authority meeting of April 3, 2008 were approved.

Public Hearing – Sale of Real Estate to O’Brien Properties of Mankato, LLC

President Hensel opened the public hearing to consider the sale of Lot 2, Block 1, Northport No. 11 to O’Brien Properties of Mankato, LLC. Executive Vice President Sande presented a copy of the published notice of public hearing and a plat of the 4.86-acre parcel which is located immediately west of United Parcel Service on Howard Drive West. Loren O’Brien appeared before the Commission and reported an 18,000 square foot building will be constructed on this parcel. A branch location for Building Fasteners of Minnesota, a hardware distributor, will occupy 7,500 square feet of the building and the balance will be available for lease for light industrial businesses. There being no one else appearing before the Port Authority Commission, President Hensel closed this portion of the meeting.

Resolution No. 07-08 Authorizing the Sale of Real Estate

Commissioner Kirschbaum moved, seconded by Commissioner Steiner, to adopt Resolution No. 07-08 Authorizing the Sale of Real Estate, Lot 2, Block 1, Northport No. 11, to O’Brien Properties of Mankato, LLC. Vote on the Resolution: Abbott, Steiner, Knutson, Arnold, Hensel, Kirschbaum and Zellmer, aye; no nays. Motion carried.

Report of Executive Vice President

A. Res. No. 08-08 Approving the Purchase of Real Estate

Executive Vice President Sande presented a copy of the cover sheets from a certified appraisal of the property at 518 Webster Avenue in North Mankato showing a value of \$134,500. This property is located immediately west of the home the Port Authority purchased at 514 Webster Avenue which was relocated to 434 Pierce Avenue. The owners of 518 Webster Avenue are willing sellers and if the Port Authority approves this acquisition, a blighted or substandard structure elsewhere in lower North Mankato would be acquired and removed and the house from 518 Webster Avenue would be relocated onto that property. After relocation and renovation, the house will be made available for sale. Executive Vice President Sande reported that removal of this structure from the current location will provide additional flexibility in the re-use of the industrially-zoned property along Webster Avenue. Commissioner Arnold moved, seconded by Commissioner Knutson, to adopt Resolution No. 08-08 Approving the Purchase of Real Estate, 518 Webster

Avenue, for the appraised value of \$134,500. Vote on the Resolution: Abbott, Steiner, Knutson, Arnold, Hensel, Kirschbaum and Zellmer, aye; no nays. Motion carried.

Other Business

A. Review of G.O. Capital Improvement Plan Bonds

Executive Vice President Sande reported the City had five bidders on April 21, 2008 for the sale of G.O. Capital Improvement Plan Bonds in the amount of \$2,145,000. The bonds will defease Port Authority debt and will be replaced with City of North Mankato bonds for the remaining indebtedness on Fire Station No. 2, the Police Annex and the North Mankato Taylor Library. These facilities were originally constructed and financed by the Port Authority under agreement with the City. The true interest rate for the bonds was 3.3824% resulting in a savings of \$375,000 over the 10-year life of the bonds. This will result in a tax levy reduction of approximately \$35,000 per year.

B. Realtor Commission

In response to a question, Executive Vice President Sande reported the North Mankato Port Authority does not use any specific realtor but pays a standard commission of 4.00% to all realtors who identify and bring a prospect to North Mankato. He reported this procedure has worked well in the past and gives equal opportunity to all realtors.

Open Meeting to the Public

President Hensel opened the meeting to the public with no one appearing.

There being no further business, the meeting was adjourned at 7:50 a.m.

President

Secretary