

Pursuant to due call and notice thereof, the annual meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Monday, July 14, 2008.

President Hensel called the meeting to order at 7:00 p.m. The following were present: Commissioners Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, Executive Vice President Sande, Finance Director Mork and Secretary Gehrke. Absent: Commissioner Arnold.

Approval of the Minutes

On a motion by Commissioner Knutson, seconded by Commissioner Kirschbaum, the minutes of the Port Authority meeting of April 23, 2008 were approved.

Finance

A. Preliminary Financial Report – June 30, 2008

Finance Director Mork presented a preliminary financial report for the six-month period ending June 30, 2008. He reported the Revenue Bonds of 97 and 99 Fund have been refunded and this fund has been closed. The Joint Economic Revenue Fund reflects income from the sale of property to Building Fasteners and ThermoKing (Bobcat).

B. Approval of Bills – April, May and June 2008

Finance Director Mork presented the Port Authority expenditures for April, May and June 2008. Commissioner Steiner moved, seconded by Commissioner Zellmer, to approve the Port Authority expenditures for April, May and June 2008. Vote on the motion: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

Report of Executive Vice President

A. Election of Officers

Executive Vice President Sande presented the current list of officers for the Port Authority Commission. Commissioner Kirschbaum moved, seconded by Commissioner Steiner, to re-elect and reappoint the Port Authority Commission officers as follows:

President	Wade Hensel
Vice President	Bob Knutson
Treasurer	Gary Zellmer
Assistant Treasurer	Steve Mork
Executive Vice President	Wendell Sande
Secretary	Nancy Gehrke

Vote on the motion: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

B. Waiver of Compensation

The Commissioners present at the meeting signed the Waiver of Compensation forms.

C. Proposed Marigold Development

Executive Vice President Sande gave a brief overview of the Marigold Development reporting a proposal has been submitted to redevelop a portion of the Marigold Dairy site into a commercial/residential mixed use building. The development would consist of a four-story building with offices on the first two floors and nine residential condominiums on the upper floors. In order to implement the current proposal, the Port Authority would convey 1.06 acres to the developer for the construction of the facility and plat .14 acres as a public roadway to extend Wall Street north-south on the west edge of the property. The Port Authority would also fund parking improvements for 36 vehicles to serve the development. Van Moody was in attendance and reported he has been working with Executive Vice President Sande on the Marigold project for two years. He reported he will move his company, Computer Technology Solutions, Inc., from Mankato to the first floor of the four-story building. Bryan Paulsen, Paulsen Architects, was in attendance and gave a PowerPoint presentation of the proposed development reporting this is a three-phase project and the building on Belgrade Avenue and 69 parking stalls constitutes Phase 1 of the development. Phase 2 will include a building to the northeast of Phase 1 and 43 parking stalls and Phase 3 is a smaller building on the northwest corner of the property. Executive Vice President Sande reported the necessary action by the Port Authority Commission is to give preliminary approval of the Marigold Development Project plan so that a development agreement can be drafted and a grant application submitted for the project prior to the August 1st deadline. Commissioner Knutson moved, seconded by Commissioner Abbott, to give preliminary approval of the proposed Marigold Development Plan. Vote on the motion: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

D. Resolution No. 09-08 Authorizing Submission of Redevelopment Grant Application

Roger Guenette, Advance Resources for Development, was in attendance and reported the public costs for the Marigold Project are eligible for State of Minnesota redevelopment grant funds. Upon approval by the Port Authority Commission, an application for funds in the amount of \$148,000 for the public portion of the Marigold project will be submitted to the Department of Employment and Economic Development for consideration. Commissioner Zellmer moved, seconded by Commissioner Kirschbaum, to adopt Resolution No. 09-08 Authorizing Submission of the Redevelopment Grant. Vote on the Resolution: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

E. Loan Proposal for National Dentex Project

Executive Vice President Sande presented the loan proposal for the National Dentex Project recommending to the Port Authority Commission preliminary approval of a \$250,000 loan upon completion of the facility. The loan would be at an interest rate of 3.00% for 10 years based on a 25-year amortization. Completion of the facility is anticipated for July 2009 based on the current schedule. The project calls for the creation of up to 45 new positions. Dean Doyscher, developer of the National Dentex project, was in attendance and reported the facility will have 80 parking stalls and will be built to accommodate future expansion. Commissioner Knutson moved, seconded by Commissioner Steiner, to give preliminary approval to the loan proposal for the National Dentex Project. Vote on the motion: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

Other Business

Commissioner Zellmer thanked Executive Vice President Sande for the many hours he has dedicated to projects recently brought to the City of North Mankato, especially for his work on the Marigold Development project.

Executive Vice President Sande gave an update of the new projects. He reported Walgreens will be opening in September, the old Marathon gas station will be removed to make way for the new Family Video Store, the first phase of Commerce Plaza is underway, construction of Building Fasteners will begin soon, North Central International and Crossview Church are nearly completed, ThermoKing (Bobcat) will begin construction after Howard Drive West has been extended and Ziegler will begin construction in the spring of 2009.

Open the 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 8:06 p.m.

President

Secretary