

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 Tuesday, March 11, 2008.

President Hensel welcomed Dave Arnold who has replaced John Behrens on the Port Authority Commission.

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

Approval of the Minutes

On a motion by Commissioner Knutson, seconded by Commissioner Steiner, the minutes of the Port Authority meeting of February 13, 2008 were approved.

Public Hearing - Tax Increment Financing District IDD 1-17 Plan

President Hensel opened the public hearing on the Tax Increment Financing District IDD 1-17 Plan. Executive Vice President Sande reported a hearing notice and map was published in the official newspaper per statutory requirements. Ed Tschida from Advance Resources for Development gave an overview of the project reporting a 12,000 square foot building is proposed to be located on a three-acre parcel to be replatted as Lot 1, Block 1, Northport No. 11. The proposed building is for a manufacturing facility and will qualify for Tax Increment Financing. This would be a pay-as-you-go TIF for a period of nine years. Dean Doyscher, Security Management and Realty, appeared before the Port Authority Commission and reported that National Dentex Corporation is headquartered out of Boston, Massachusetts, and is proposing to establish a dental laboratory in North Mankato. They selected the Northport site because of its proximity to United Parcel Service, South Central College and the proposed new daycare in this area. Construction of the 12,000 square foot building is scheduled to begin in May or June 2008 and allows for future expansion to 20,000 square feet. Originally there will be a total of 35 full-time employees and after expansion of the building it is estimated there will be a total of 80 employees. There being no one else appearing before the Port Authority Commission, President Hensel closed this portion of the meeting.

Resolution No. 03-08 Approving Tax Increment Financing District IDD 1-17 Plan

Commissioner Knutson moved, seconded by Commissioner Steiner, to adopt Resolution No. 03-08 Approving Tax Increment Financing District IDD 1-17 Plan. Vote on the Resolution: Zellmer, Abbott, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

Finance

A. Approval of Bills – January and February 2008

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

B. Preliminary 2008 Year-End Financial Report

Finance Director Mork presented the preliminary 2007 Year-End Financial Report and gave a brief overview of the accounts for the new Port Authority Commissioners. He reported the auditors would be arriving the first part of May.

Report of Executive Vice President

A. Resolution No. 04-08 Relating to the Purchase of the City of North Mankato of Certain Port Facilities Presently Leased to the City and the Defeasance of Certain Obligations Related Thereto

Executive Vice President Sande reported that in order to take advantage of anticipated savings by the refunding of certain bonded debt, the City would propose to purchase from the Port Authority the Police Annex, Fire Station No. 2 and the Taylor Library buildings and defease the related Port Authority obligations. If bond market conditions remain as anticipated, the Council will pursue the issuance of the refunding debt in the immediate future. The City will amend the Five-Year Capital Improvement Plan, 2008-2012 to include Capital Improvement Bonds.

Commissioner Abbott moved, seconded by Commissioner Zellmer, to adopt Resolution No. 04-08 Relating to the Purchase of the City of North Mankato of Certain Port Facilities Presently Leased to the City and the Defeasance of Certain Obligations Related Thereto. Vote on the Resolution: Zellmer, Abbott, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

B. Set Public Hearing for the Sale of Real Estate, Lot 2, Block 1, Northport No. 10

Executive Vice President Sande reported Lot 2, Block 1, Northport No. 10 is a 5.21-acre parcel which is under purchase agreement for sale to Thermo King Sales and Service, Inc. Commissioner Steiner moved, seconded by Commissioner Arnold, to set a public hearing for the sale of Lot 2, Block 1, Northport No. 10, for 7:30 a.m. on Thursday, April 3, 2008. Vote on the motion: Zellmer, Abbott, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

C. Set Public Hearing for the Sale of Real Estate, Lot 1, Block 1, Northport No. 11

Executive Vice President Sande reported Lot 1, Block 1, Northport No. 11 is the 3-acre parcel which is under purchase agreement for sale to Doyscher LLC for the proposed National Dentex Corporation building. Commissioner Arnold moved, seconded by Commissioner Knutson, to set a public hearing for the sale of Lot 1, Block 1, Northport No. 11, for 7:30 a.m. on Thursday, April 3, 2008. Vote on the

motion: Zellmer, Abbott, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

Other Business

A. Set Next Port Authority Meeting

The next Port Authority meeting will be held at 7:30 a.m. on Thursday, April 3, 2008.

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 8:32 a.m.

President

Secretary