

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 Thursday, November 5, 2009.

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

Approval of the Minutes

On a motion by Commissioner Steiner, seconded by Commissioner Arnold, the minutes of the Port Authority meeting of October 23, 2009 were approved.

Finance

A. Res. No. 13-09 Authorizing Decertification of Tax Increment Financing District No. IDD 1-11 (United Parcel Service)

Finance Director Mork reported Tax Increment Financing District No. IDD 1-11 (United Parcel Service) which was created in 1998 with the first increments received in June 2000 now requires decertification in 2009. Executive Vice President Sande reported the increments from this district paid for a portion of the improvements for the construction of Howard Drive West. Commissioner Steiner moved, seconded by Commissioner Knutson, to adopt Resolution No. 13-09 Authorizing Decertification of Tax Increment Financing District No. IDD 1-11 (United Parcel Service). Vote on the Resolution: Steiner, Knutson, Arnold, Hensel and Zellmer, aye; no nays. Motion carried.

Report of Executive Vice President

A. Recommendation for Sale of G.O. Taxable Refunding Bonds, Series 2009A

Executive Vice President Sande presented a summary of the finance plan for the General Obligation Taxable Refunding Bonds, Series 2009A in the amount of \$1,385,000. He reported this is a proposed refunding and restructuring of the Port Authority's Series 1998A Bonds which were originally issued to finance the construction of the grocery store project. The true interest costs on the 1998A Bonds was 6.66 percent and the true interest costs on this proposed issue is estimated to be 4.14 percent. The new debt service schedule provides for level debt service over the remaining years of the issue to better match anticipated revenues with debt service.

Res. No. 14-09 Providing for the Competitive Negotiated Sale of \$1,385,000 G.O. Taxable Refunding Bonds, Series 2009A

Commissioner Knutson moved, seconded by Commissioner Arnold, to adopt Resolution No. 14-09 Providing for the Competitive Negotiated Sale of \$1,385,000 G.O. Taxable Refunding Bonds, Series 2009A. Vote on the Resolution: Steiner, Knutson, Arnold, Hensel and Zellmer, aye; no nays. Motion carried.

Financial Advisory Service Agreement by and between the North Mankato Port Authority Commission and Northland Securities, Inc.

Executive Vice President Sande presented the Financial Advisory Service

Agreement with Northland Securities, Inc. for the issuance of the Series 2009A

Bonds. Commissioner Zellmer moved, seconded by Commissioner Knutson, to approve the Financial Advisory Service Agreement by and between the North Mankato Port Authority Commission and Northland Securities, Inc. Vote on the motion: Steiner, Knutson, Arnold, Hensel and Zellmer, aye; no nays. Motion carried.

Set Port Authority Meeting for 12 noon on Monday, November 16, 2009

Commissioner Zellmer moved, seconded by Commissioner Steiner, to set a Port Authority meeting for 12 noon on Monday, November 16, 2009 to award the sale of the Series 2009A Bonds. Vote on the motion: Steiner, Knutson, Arnold, Hensel and Zellmer, aye; no nays. Motion carried.

Other

Executive Vice President Sande reported the closing would be held in the next week for the sale of property to the South Central Service Coop, LorRay Drive re-opened on October 31, 2009, staff is working with a party who is interested in the Dunn Bros. site, Ziegler has opened temporary quarters in North Mankato until their permanent facility is constructed and the North Mankato Funeral Home project is slated to begin next week. Discussion was held about the Marigold Project and Executive Vice President Sande reported the developer is hoping to break ground in the spring.

Commissioner Zellmer reported Rochester will be re-joining the Highway 14 Partnership. The partnership is working with Legislators to amend the language that limits MnDOT District 7 from bonding for projects other than Highway 60 and three bridges until 2013 and to get Highway 14 added to the bonding list. Executive Vice President Sande reported that Nicollet County has hired Evergreen Land to work with landowners for the acquisition of the right-of-way property for the Highway 14/CSAH 41 Project. He reported the first phase of the Highway 14/Extension of Carlson Drive/Extension of Howard Drive will begin in 2010 and be completed in 2011. The Council has authorized issuance of bonds for the City's share of this project which will be repaid from MSA funds and assessments to benefiting properties.

Open Meeting to the Public

Brian Cain, 47 Deerwood Court, appeared before the Commission and requested a summary of the neighborhood revitalization projects completed by the Port Authority and a list of the Port Authority's capital assets.

There being no further business, the meeting was adjourned at 8:04 a.m.

President

Secretary