

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 Monday, November 15, 2021.

President Arnold called the meeting to order at 6:30 p.m. The following were present: Commissioners Dehen, Steiner, Whitlock, Norland, Olenius, and Arnold, Executive Vice President Harrenstein, Assistant Treasurer McCann, and Secretary Van Genderen. Absent: Commissioner Oachs.

#### Approval of the Minutes

Commissioner Steiner moved, seconded by Commissioner Dehen, to approve the minutes of the Port Authority meeting of September 20, 2021. Vote on the motion: Dehen, Steiner, Whitlock, Norland, Olenius, and Arnold aye, no nays. Motion carried.

#### Approval of Bills

Commissioner Norland moved, seconded by Commissioner Steiner, to approve the Bills. Vote on the motion: Dehen, Steiner, Whitlock, Norland, Olenius, and Arnold aye, no nays. Motion carried.

#### Resolution No. 9-21 Accepting Offer on the Sale of \$4,500,000 Taxable General Obligation Bonds, Series 2021B, Providing for their Issuance and Levying a Tax for the Payment Thereof

Bond Counsel Tammy Omdal from Northland Securities reported that the resolution would accept the offer on the sale of \$4.5 million in Taxable General Obligation (GO) Bonds. The bonds would finance land acquisition and improvements. She noted the bonds have a 20-year term, and the rates are not as low as non-taxable GO Bonds, but they are still at historic lows. The low bid had a True Interest Cost (TIC) of 2.49%, slightly higher than the predicted rate of 2.28%. The increase made the final principal amount approximately \$6,000 to \$7,000 higher than anticipated in September. The City and Port's rating was affirmed at AA which indicates the City has strong financial planning.

Executive Vice President Harrenstein reported a portion of the funds were used to purchase the Norwood Inn for \$3,250,000. He reviewed proposed funding streams which included funds from the lease of the property. He noted the additional revenue would be used to embark on the costs to transition the hotel back to functioning hotel property. President Arnold asked if the bond rating had changed. Ms. Omdal reported it had not changed. Executive Vice President Harrenstein reported the rating recognized the City's financial management during COVID-19, good financial strategies and management of funds, and a 5-10 year plan and outlook review.

President Arnold requested clarification on the funding stream for the hotel for the next 24 months and if there would be a positive cash flow. Executive Vice President Harrenstein the lease will provide a positive cashflow between now and 2023 and then

room rentals will be required to service debt and operating costs. The intent is to not use property tax dollars to pay for any portion of the debt or operations of the facility. He said plans are developing to revitalize the property as soon as the lease ends in January of 2023.

Commissioner Olenius requested clarification on the structure of the bonds. Ms. Omdal noted the bonds are not callable until 2030. She noted the Port could cover the interest and fully fund an escrow with the principal for when the bonds are called.

Commissioner Olenius moved, seconded by Commissioner Dehen, to Adopt Resolution No. 9-21 Accepting Offer on the Sale of \$4,500,000 Taxable General Obligation Bonds, Series 2021B, Providing for thereof. Vote on the motion: Dehen, Steiner, Whitlock, Norland, Olenius, and Arnold aye, no nays. Motion carried.

Other Business

None

Open Meeting to the Public

None

There being no further business, Commissioner Dehen moved, seconded by Commissioner Norland, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 6:50 p.m.

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President

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Secretary



City of North Mankato, MN

# Port Authority Claims

By Fund

Payment Dates 11/16/2021 - 4/4/2022

Vendor Part Number	Vendor Name	Payment Date	Amount
<b>Fund: 228 - PORT AUTHORITY</b>			
	ABDO LLP	01/18/2022	1,000.00
	GREATER MANKATO GROWTH, INC.	02/22/2022	31,262.25
	CITY CENTER PARTNERSHIP	04/04/2022	5,000.00
	CITY CENTER PARTNERSHIP	04/04/2022	5,000.00
	GREATER MANKATO GROWTH, INC.	01/03/2022	3,670.00
	FREDRIKSON & BYRON, P.A.	02/11/2022	752.00
<b>Fund 228 - PORT AUTHORITY Total:</b>			<b>46,684.25</b>
<b>Fund: 234 - LOCAL REVOLVING LOAN FUND</b>			
	KIETZER, BRETT	03/02/2022	5,494.69
<b>Fund 234 - LOCAL REVOLVING LOAN FUND Total:</b>			<b>5,494.69</b>
<b>Fund: 261 - TIF DIST 23 D &amp; K POWDERCOATING</b>			
	D & K POWDER COATING	12/22/2021	31,970.73
<b>Fund 261 - TIF DIST 23 D &amp; K POWDERCOATING Total:</b>			<b>31,970.73</b>
<b>Fund: 262 - TIF DIST 24 BIRCHWOOD COTTAGES</b>			
	BIRCHWOOD COTTAGES	12/20/2021	19,567.48
	BIRCHWOOD COTTAGES	12/20/2021	19,567.47
<b>Fund 262 - TIF DIST 24 BIRCHWOOD COTTAGES Total:</b>			<b>39,134.95</b>
<b>Fund: 371 - PORT AUTH TAX GO TIF REV BONDS 2011B</b>			
	COMPUTERSHARE	12/20/2021	525.00
	COMPUTERSHARE	01/31/2022	15,000.00
	COMPUTERSHARE	01/31/2022	8,395.00
<b>Fund 371 - PORT AUTH TAX GO TIF REV BONDS 2011B Total:</b>			<b>23,920.00</b>
<b>Grand Total:</b>			<b>147,204.62</b>

## Port Authority

The above claims list is approved by:

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MARK DEHEN - COMMISSIONER

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JAMES WHITLOCK - COMMISSIONER

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DIANE NORLAND - COMMISSIONER

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WILLIAM STEINER - COMMISSIONER

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SANDRA OACHS - COMMISSIONER

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DUANE OLENIUS - COMMISSIONER

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DAVID ARNOLD - COMMISSIONER