

ALBERT LEA PORT AUTHORITY

MINUTES

January 6, 2016

Regular Meeting

Albert Lea Business Development Center

1. CALL TO ORDER & NOTATION OF ROLL

The Regular Meeting of the Albert Lea Port Authority was called to order on Wednesday, January 6, 2016 at 7:30 a.m. by President Kehr. Roll was noted by the Board Secretary.

COMMISSIONERS PRESENT: Vern Rasmussen, Jr., Ellen Kehr, Al Brooks, Nate Jansen, Mark Heinemann, and Ginny Larson

COMMISSIONERS ABSENT: Mike Moore

EX-OFFICIO MEMBERS PRESENT: Chad Adams, City of Albert Lea representative; Randy Kehr, business community representative; Mike Lee, Freeborn County representative

EX-OFFICIO MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Ryan Nolander, Executive Director and Julie Dandrea, Board Secretary

STAFF MEMBERS ABSENT: None

GUESTS: Bryan Skogheim – Freeborn Mower Cooperative Services and Jerry Gabrielatos – City of Albert Lea

2. ELECTION OF OFFICERS FOR 2016

- a. President: Mark Heinemann
- b. Vice President: Vern Rasmussen, Jr.
- c. Treasurer: Mike Moore

Commissioners Rasmussen and Moore agreed to stay on as officers. Commissioners Heinemann, Larson and Jansen volunteered to help if needed. Commissioner Larson made a motion to accept the officers for 2016 as presented, seconded by Commissioner Jansen. President Kehr asked for any discussion and hearing none, the motion passed 6 in favor, 0 opposed.

3. APPOINTMENT OF OFFICERS FOR 2016

- a. Board Secretary: Julie Dandrea
 - b. Assistant Treasurer: Mardy Oyer with Hammer Dieser Mangskau
- Commissioner Jansen made a motion to accept the officers for 2016 as presented. Commissioner Rasmussen seconded and the motion passed 6 in favor, 0 opposed.

4. APPOINTMENT OF EX-OFFICIO BOARD MEMBERS FOR 2016

- a. City Representative: Chad Adams
 - b. County Representative: Mike Lee
 - c. Business Community Representative: Randy Kehr
- Commissioner Brooks made a motion to accept the ex-officios for 2016 as presented. Commissioner Heinemann seconded and the motion passed 6 in favor, 0 opposed.

5. APPROVAL OF MINUTES FROM DECEMBER 2, 2015 MEETING

The minutes from the December 2, 2015 meeting were reviewed. Commissioner Rasmussen made a motion to approve the minutes as presented, seconded by Commissioner Jansen. President Kehr asked for any discussion and hearing none, the motion carried 6 in favor; 0 opposed.

6. RESOLUTION PA-16-01 AUTHORIZING PAYMENT OF CLAIMS

The claims were presented for review. Commissioner Heinemann made a motion to accept the claims as presented in the amount of \$36,064.71 seconded by Commissioner Brooks. President Kehr asked for any discussion and hearing none, the motion carried 6 in favor; 0 opposed.

7. RESOLUTION PA-16-02 DESIGNATING DEPOSITORIES AND SIGNATORIES FOR WITHDRAWAL OF FUNDS

a. Depositories: US Bank, 4M Fund, Farmers State Bank, Produce State Bank, Wells Federal Bank, Home Federal Bank, Security Bank MN and Wells Fargo Bank

b. Signatories: President, Treasurer and Executive Director

As a reminder, this is done annually to approve the banks we may use and who are approved to sign checks. President Kehr noted the list of depositories and signatories. Commissioner Larson made a motion to approve Resolution PA 16-02 as presented. Commissioner Jansen seconded and the motion carried 6 in favor, 0 opposed.

8. RESOLUTION PA-16-03 SETTING MEETING DATES, TIMES AND LOCATION FOR THE PORT AUTHORITY

a. First Wednesday of the month at 7:30 a.m. to be held at 2610 Y.H. Hanson Avenue
Commissioner Brooks made the motion to approve Resolution PA-16-03 as presented and Commissioner Rasmussen seconded. The motion passed 6 in favor, 0 opposed.

9. RESOLUTION PA-16-04 AUTHORIZING ROUTINE CLAIMS TO BE PAID MID-MONTH

Executive Director Nolander reminded the board this resolution is renewed annually in order to pay routine claims before the end of the month so as not to incur late charges. Commissioner Jansen made a motion to accept Resolution PA-16-04. Commissioner Heinemann seconded and the motion passed 6 in favor, 0 opposed.

10. RESOLUTION PA-16-05 RULES FOR ADDRESSING THE PORT AUTHORITY/RULES OF DECORUM

Executive Director Nolander briefly went over the rules adopted in 2014. Attendees may speak under the commissioners and other items portion of the agenda with speaking time limited to three minutes, one topic, and addressed to the board as a body and no one individually. Commissioner Rasmussen made a motion to adopt the resolution as presented and Commissioner Brooks seconded. President Kehr asked for any discussion and hearing none, the motion passed 6 in favor, 0 opposed. (*Mike Lee arrived.*)

11. EXECUTIVE DIRECTOR'S REPORT

Request for Information – A blind lead was received from an Iowa site selector for 20-40 acres within a 120-mile radius of New Ulm with high water, sewer and natural gas usage. The ALEDA Industrial Park was pitched which would fit their needs. The business wants to acquire property by March 1, but the project would not start until 2017-18.

J2G Industry Cluster Round Table – Executive Director Nolander is part of *Journey-to-Growth*, which is a regional initiative that is looking at ways to diversify in the region beyond Rochester's *Destination Medical Center*. They are planning round table industry cluster meetings, with the first

one focusing on the food and dairy industry in March.

Project Updates:

- We are working with ABG on the remodel of the Alliant building on Broadway and the relocation of their business to this building. They are looking for assistance with financing.
- Sanco Enterprises (Thermo-King) has their building for sale and is making plans for their new facility near the Dave Syverson dealership.
- A couple of individuals are still interested in acquiring the Sun Room Concepts business and equipment and are working on a business plan. They haven't been able to get much information from the owner.
- Executive Director Nolander met with Chad Adams recently to discuss some of the issues involved in locating a new fire station on Main Street.
- A retail business was in town recently to meet with George Dress regarding two properties he owns near Arby's and the corner by Wal-Mart and 46. We haven't heard anything since the visit.
- Intego Insurance Services is still looking for locations to consolidate their Alden and Albert Lea branches. Clayton Peterson discontinued discussions with them on his 9th Street/Highway 69 corner location. He may have other plans for this piece of property.
- The rumor the old Wal-Mart has been sold and is closing soon is going around again. The real estate agent managing the property says it is true. We'll wait and see.
- Executive Director Nolander connected some local investors to a client Zumbro River Brand has in CA that does a product for schools. They need help to grow and the investors were looking for a project.
- Hill Capital Organization came to Albert Lea recently and met with Nolander and Randy Kehr. The organization is trying to get statewide funding. Currently, a similar group of "Angel Investors," is geared to the metro area.

Enderes Building Update – Handout showing total expenses since taking over the building in tax forfeiture was passed around. The land is about 6.5 acres and there is approximately \$18K/acre into it now. Executive Director Nolander is looking for opportunities locally to move it. Commissioner Brooks said Freeborn County Cooperative is still interested in parceling off a piece with rail. Nolander relayed this to the company interested in the whole piece as a way to recoup some their cost if they purchased the property.

12. EX-OFFICIO UPDATE

Freeborn County – Mike Lee, Freeborn County Representative

- The county has set the tax levy at 4.25%.
- Commissioner Nelson is the new chairman and Commissioner Belshan is the vice-chairman.
- The new canine in the sheriff's office has been named Stalker and Lt. Strom will be the handler.
- There is an upcoming workshop on January 12th, to discuss various items.

City of Albert Lea – Chad Adams, City of Albert Lea Representative

- Bank building – A new request for qualifications will be sent to developers. Four are interested, one is Cohen Esrey, another respondent is from Clear Lake, and the others are from the metro area. All want to do market rate housing. This year is best option for getting tax credits being it's also a bonding year.
- Blazing Star Landing – Assistant City Manager, Jerry Gabrielatos is working on a template for letters of support for phase one bonding. The Port Authority will be receiving one. There are seven interested parties with various projects including a hotel, condos, market rate housing, etc. Some parties are looking at an all-encompassing project and others a part of the entire project. The city will not put money into the project until they have bonding money and developers' money. The city plans to do more communicating to the public on the project.

- Broadway Ridge Grant Fund has been very active; 5-6 businesses have applied for grants. Eligibility will extend to South Broadway. The city has been approved to the final round for the small cities program and could get up to \$1.4M. Final application will be submitted in February.
- Workforce housing - Schrom Construction wants to do more housing. The state grant deadline is next week. The city will try to divert some of the funds to move over to the grant application for matching dollars which scores better for a state grant. It would be a win-win for all.
- Adams and Nolander will be attending the EDAM conference in January for the ALEAP award and he will be presenting about the market rate housing project.
- Watershed sales tax renewal – In 30 to 45 day we should know more about the direction this will go.
- Law office – There has been interest and showings of the former law building for office rental.
- ALEDA will be the subject of the next water bill newsletter in January.

Chamber of Commerce – Randy Kehr, business community representative

- Randy recently met with Chancellor from MNSCU. HR people were there. It was a good session.
- The chamber started a program called *Holiday Rewards*. If a member spent \$25 in 10 local businesses they could bring in the receipts and receive \$25 in chamber bucks. There were 29 people that participated at over 70 business spending \$22K. Then the chamber held a random surprise drawing and the winner won \$225.
- In December the chamber issued over \$100K in chamber bucks and redeemed \$40K to local retailers on checks written. The chamber doesn't make any money on this program; they just process them. Mayo does good job of boosting the program.
- Of the asset mapping presentations, three are moving forward. The presentation will be January 26th at Southwest Middle school.
- The annual gourmet auction for the Rendezvous will be January 29th, at Wedgewood.

13. COMMISSIONER/OTHER ITEMS

President Kehr recalled the retreat meeting where Terry Whipple, head of the Juneau County, WI entrepreneur program, was the speaker and Ryan, then the Assistant Director, told her we needed an entrepreneur program here. She congratulated him on the success of the ALEAP program. She passed out a letter regarding the annual review for Executive Director Nolander. The executive committee met and went over the review summary and recommends a 2.5% raise aligning with what the city did. Discussion followed with ideas on performance and compensation. Nolander added that the attorney reviewing our policies said we need a formal way to look at benefit packages so he will be bringing that forward in the coming months.

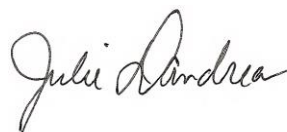
14. ADJOURNMENT

Commissioner Brooks made a motion to adjourn the meeting, seconded by Commissioner Jansen. The motion carried 6 in favor, 0 opposed. The meeting adjourned at 8:40 a.m.

Filed and attested January 6, 2016.



President



Board Secretary