

ALBERT LEA PORT AUTHORITY

MINUTES

Wednesday, October 5, 2022 – 7:30 a.m.

Regular Meeting

132 N Broadway Ave

CALL TO ORDER & NOTATION OF ROLL

The Regular Meeting of the Albert Lea Port Authority was called to order on Wednesday, October 5, 2022 at 7:30 a.m. by President Skogheim. Roll was noted by the Board Secretary.

COMMISSIONERS PRESENT: Bryan Skogheim, President; Mark Heinemann, Treasurer; Rich Murray, Tricia Dahl, Sarah Nelson, Vern Rasmussen, Jr

COMMISSIONERS ABSENT: Nate Jansen, Vice President

EX-OFFICIO MEMBERS PRESENT: Ted Herman, Freeborn County Representative; Jan Fransen, Freeborn County Representative; Ian Rigg, City of Albert Lea Representative; Shari Jenson, Business Community Representative

EX-OFFICIO MEMBERS ABSENT: Holly Karsjens, Local Tourism Representative

STAFF MEMBERS PRESENT: Phillip Johnson, Executive Director; Noelle Hagen, Assistant Executive Director

APPROVAL OF MINUTES FROM SEPTEMBER 7, 2022 REGULAR MEETING

The minutes from the Wednesday, September 7, regular meeting were reviewed. Commissioner Rasmussen made a motion to approve the minutes as presented, seconded by Commissioner Heinemann. President Skogheim asked for any further discussion and hearing none, the motion carried 6 in favor; 0 opposed.

RESOLUTION PA-22-14 AUTHORIZING PAYMENT OF CLAIMS

The claims were presented for review. Commissioner Rasmussen made a motion to accept the claims as presented in the amount of \$56,577.00 seconded by Commissioner Nelson. President Skogheim asked for any further discussion and hearing none, the motion carried 6 in favor; 0 opposed.

REVIEW 2023 DRAFT BUDGET

Staff presented the 2023 Draft Budget for the Port Authority. Executive Director Johnson noted that revenue is similar to last year, with a small drop due to the discount given to Design Ready Controls as part of the incentive package to attract them to Albert Lea. Expenses are also similar with a slight increase to reflect the rising costs of utilities, repairs and maintenance, and professional services. Commissioner/Treasurer Heinemann noted that the major thing to note on the expense side is building in

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a potential 7 – 10% increase for staff wages. This would reflect the larger cost of living increase due to inflation as well as an increase the board may choose to give after staff reviews are completed.

The final item to note was the loss recorded on the income side for 2021. Because the land and improvements were valued at a higher amount on the books, and the sale of the land to Vortex was a significant discount to that amount, the balance shows as a loss. This is the case anytime we sell land for less than what we it valued at as it does not depreciate like our buildings have.

Commissioner Heinemann moved to approve the draft budget with the increase of 10% for staff wages under personnel expenses, seconded by Commissioner Nelson. President Skogheim asked for any further discussion and hearing none, the motion carried 6 in favor; 0 opposed.

STAFF REPORT

Design Ready Controls Update

- A ribbon cutting and open house is scheduled for October 12th beginning at 10:00 a.m. The board is encouraged to attend.
- DRC used the conference room and our office for interviews and meetings. They had over 100 interview in September.
- Build out in the spec building is going well and should be finished soon. There was an issue with the concrete sidewalk and ADA compliance, looks like that will be an additional cost to the Port Authority for \$8,000.
- There are plans for parking lot expansion. There is room for additional rows on the front of the building as well as the East side.

Tricia Dahl entered.

Collaboration Chamber/CVB/ALEDA

- Still working together on the Visitors & Community Guide – have decided that revamping and expanding the entire guide was too big a project at this time. Will switch to updating current layout to get guides printed as we will run out soon. Tabling revamp for the beginning of 2023.
- Staff from all three agencies have begun to discuss ideas to promote Small Business Saturday.
- Staff is still working on getting updated photography from Lucas Schuster.

Scholarship Program

- The fundraising team has been formed and continues to meet. There is a shared google document that lists the targeted groups to reach out to, the group will divide and start making contact. Riverland is leading the way on this now. The team is currently working on going out to the top 30 groups on the list.
- Staff proposed to the board that ALEDA should put money into the fund to help show businesses that we are committed to the program. Staff suggested that the City and County should be involved too and staff can be available to present to the City Council and County Board. Staff suggested that we commit \$100,000 to the fund.

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- After discussion, Commissioner Rasmussen motioned to approve a commitment of \$100,000 to be given over 5 years in \$20,000 increments, seconded by Commissioner Dahl. President Skogheim asked for any further discussion and hearing none, the motion carried 7 in favor; 0 opposed.

Warehousing Opportunity

- Met with Paul Knapp with St. Paul Properties about their project. The local company looking to take up the majority of this new warehouse has backed out of the deal. They are not interested in building unless they have someone in place who will agree to use the majority of the space. Staff will send any potential leads to help them find a tenant.
- Also working with MN Freezer on dry storage. They have space on their property to expand and they have great access to rail. Still waiting for a proposal.
- Also discussed the possibility of developing the land Sanco owns into a warehouse, owner is coming down and wants to meet in the next few weeks.

Conferences/Meetings to Note

- Continued attendance at regular meetings.
- Staff attended the SMIF Entrepreneurial Bridge Event. Executive Director Johnson thanked Assistant Executive Director Hagen for her efforts in organizing the event alongside the SMIF team. The keynote speaker was Craig Culver, staff had the opportunity to talk to him about adding a Culver's location in Albert Lea.
- Staff attended the Legacy Foundation event. They are looking to create a foundation where people can leave donations to – the three goals of the fund are Education, Healthcare, and Economic Development. They are working with the Minnesota and St. Paul Foundation to create and administer the Foundations funds.
- Attended multiple meetings with Senator Tina Smith, one on the inflation reduction act and the other focused on prevailing wage. Staff noted how the DEED programs are not competitive with other states and this is a challenge when trying to work with companies on large projects that rely on incentive programs.
- Staff spoke to the 8th grade career (pathways) students in September.
- Met with Fountain Lake Condos on their landscaping remodel project.
- Staff attended the Wall Breaking Event at Mayo.

EX-OFFICIO UPDATE

Freeborn County – Jan Fransen, Ted Herman

- There are 8 applicants for the County Administrator position. Currently going through the first screening and background checks before final interviews. Interview dates will be November 14th and 15th. County board has the ability to make an offer right away if they choose to. There will be a community meet and greet type event as part of the interview process as well.
- The county is currently struggling to hire and retain law enforcement personnel and detention deputies. Have decided to change the process a bit and let qualified candidates job shadow for 2 or 3 days to help them decide if they want to do the job. Should help reduce turnover costs.

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- November 7 – 13 participating in Operation Green Light to honor our veterans. Going to light up the veterans memorial with green. The board passed a resolution and a press release to go out to businesses to put a green light in the window.

City of Albert Lea – Ian Rigg

- Continued work on the budget.
- Phillip and Ian met with Mayo to discuss their underutilized properties, waiting to receive information on price.
- Met with an organization to talk more about housing and how the City will play a part on that. Housing is still a big need, trying to find ways to improve rentals, looking at disposing more property at the next council meetings.

Chamber of Commerce – Shari Jenson

- No update.

Convention and Visitors Bureau – Holly Karsjens

- Holly Karsjens was not in attendance, Executive Director Johnson reminded everyone that Shop, Sip and Stoll is this weekend, bags are still available!


COMMISSIONER/OTHER ITEMS

Commissioner Murray shared that he had a great discussion with Mike Wallin, Iron Manufacturing. They are looking at moving into the Streater Building. Their business has been steadily growing and this is a great project for Glenville and Albert Lea.

ADJOURNMENT

Commissioner Heinemann made a motion to adjourn the meeting, seconded by Commissioner Nelson. The motion carried 6 in favor, 0 opposed. The meeting adjourned at 8:35 a.m.

Filed and attested October 5, 2022.



President



Secretary

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