

Pursuant to due call and notice thereof, a North Mankato Port Authority Commission meeting was held in the Council Chambers of the Municipal Building on Monday, August 7, 2023.

President Olenius called the meeting to order at 5:00 p.m. The following were present: Commissioners Peterson, Whitlock, Carlson, Olenius, Steiner, and Oachs, Executive Vice President McCann, Assistant Treasurer Ryan, and Secretary Van Genderen.

Approval of the Minutes

Commissioner Steiner moved, seconded by Commissioner Oachs, to approve the minutes of the Port Authority meeting of July 17, 2023. Vote on the motion: Carlson, Olenius, Steiner, Oachs, Peterson, and Whitlock, aye, no nays. Motion carried.

Approval of Bills

Commissioner Oachs moved, seconded by Commissioner Steiner, to Approve the bills. Vote on the motion: Carlson, Olenius, Steiner, Oachs, Peterson, and Whitlock, aye, no nays. Motion carried.

Resolution No. 4-23 Authorizing Setoff of Lease Deposit

Executive Vice President McCann introduced Adam Niblick from Taft Law, who was hired to protect the City's interests during the HyLife bankruptcy. He reviewed the lease and noted that HyLife deposited a security deposit in the amount of \$200,000. HyLife also deposited an escrow fund of \$520,000 with the City for the purpose of supplemental security to hold HyLife to its obligations under the Lease. The lease expired, and Hylife surrendered the property to the Authority on June 24, 2023. HyLife did not surrender the Property in as good a state or condition as required by the lease. HyLife has conditionally agreed to the City and Authority collectively withholding Deposit funds in the amount of \$280,000 (the setoff). HyLife has also filed for bankruptcy and the parties must execute certain legal instruments in order to obtain the Court's consent to effectuate the setoff. The resolution presented authorizes the property officers of the authority to execute all necessary agreements and documents to obtain the setoff. Commissioner Steiner moved, seconded by Commissioner Oachs, to Adopt Res. No. 4-23 Authorizing Setoff of Lease Deposit. Vote on the motion: Carlson, Olenius, Steiner, Oachs, Peterson, and Whitlock, aye, no nays. Motion carried.

Other Business

None

Open Meeting to the Public

None.

There being no further business, Commissioner Steiner moved, seconded by Commissioner Peterson, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 5:09 p.m.

President

Secretary