OPEN MEETING MINUTES OF THE
ST. JOSEPH REGIONAL PORT AUTHORITY
Board of Commissioners
February 22, 2019

Members Present: Dick DeShon, Glenn Drake, Terry McClatchey, Mark Woodbury, Ron Blakely, RT Turner (via phone)

Others Present: Brad Lau, Camille Wallingford, Bill Becker (Transport 360), Lee Sawyer (County Representative), Marty Novak (City Representative) Ken Reeder, Andy Macias (Snyder & Associates), Jason Laipple and Scott Peters (Transport 360), Scott Schneiderman (Omaha Broker)

1. CALL TO ORDER

After a quorum was determined the meeting was called to order by Dick DeShon at 12:15 p.m. The meeting was held at the Port Authority with lunch provided by Dick DeShon. Brad Lau noted that Ken Beck had planned to attend and called Brad just before the meeting to say he was unable to attend due to illness.

2. VOTE TO APPROVE OPEN MEETING MINUTES FROM THE MEETING OF:
   - December 19, 2019

Dick DeShon requested that Commissioners review the minutes. A motion to approve the minutes as submitted was made by Terry McClatchey and seconded by Mark Woodbury. Motion approved.

3. APPROVAL OF FINANCIALS

Brad went over the financials for period ending December 31, 2018 and January 31, 2019. A motion to approve the financials was made by Mark Woodbury and seconded by Terry McClatchey. Motion approved.

4. DISCUSSION AND APPROVAL OF RELEASE OF EASEMENT

Brad gave an overview on the release of easement at 3527 W. 759 Hwy and introduced Omaha Broker, Scott Schneiderman. Schneiderman stated he is seeking the release of easement for his client, TSL. TSL is purchasing the property at 3527 W. 759 Hwy. He stated that they want the release of the easement to “clean up” the property.

After discussion the Board decided to do a partial release of the easement for an amount of $4,000, with the cost of a survey and draft release being paid for by TSL. The release would remove the easement beginning at the north side of the access point to 759 Highway, and then going north to the north property line, and the partial release remove the portion of the easement impacting the current structure on the site. The easement would remain in place on the property including all of the existing access point onto 759 Highway and the existing easement running south to the property line of the port property, with the exception of that portion to remove the existing structure on the site.

The following motion was made by Terry McClatchey and seconded by Glenn Drake: Provide a partial release of the easement in the amount of $4,000, with the cost of a survey and draft release being paid for by TSL. The partial release will remove the easement beginning at the north side of the existing access point onto 759 Highway, and then going north to the north property line of the property, the partial release would also remove that portion of the easement impacting the current structure on the site. The easement would remain in place on the property beginning at the northern portion of the current access point onto 759 Highway with the easement running south to the property line of the port property, with the exception of the release of easement necessary to remove the existing structure on the site. Further, Mark Woodbury is authorized to approve all documents and survey associated with the partial release of the easement prior to the Chairman signing the partial release. Motion approved.
5. **AWARD OF CONSTRUCTION BID—BULK STORAGE BUILDING #2 AND CONVEYOR SYSTEM**

Andy Macias gave an overview of the construction bid for bulk storage building #2 and conveyor system. There were four bidders and of those, Brooner was the lowest bid in the amount of $1,235,908 for the base and three alternates. Snyder and Associates is recommending the Port Authority award the bid to Brooner Construction.

Brad Lau reviewed the attached funding scenario spreadsheet. In essence, the award of the contract to Brooner, in the amount of $1,235,908, along with the design and construction contract fees of Snyder and Associates, puts the total project cost at $1,310,020.75. Of that amount, the Port Authority’s 20 percent match will be $262,004.15. The Port Authority currently has about $250,000 in the bank as of February 19, 2019, and will receive $12,588.32 from the state for engineering fees paid by the Port Authority, for a total of $262,588.32. Brad Lau is recommending that the Port Authority maintain about a $50,000 reserve in savings. For cash flow purposes, it will be necessary to initiate the line of credit if the Commissioners wish to award the base bid and all alternates. In addition, there may be change orders which would require the Port Authority to come up with additional match. There are additional FY19 grant funds available to the tune of $224,623, after the award with Brooner and the engineering funds are spent. However, to spend this full amount, will require the Port Authority to match an additional $44,924.68.

A motion to approve the base bid plus all three alternates to Brooner Construction in the amount of $1,235,908 was made by Glenn Drake and seconded by Ron Blakely. Motion approved.

6. **AUTHORIZATION FOR CHAIRMAN TO RE-ESTABLISH LINE OF CREDIT WITH COMMERCE BANK**

As noted above, Brad Lau stated it is necessary to establish a line of credit to meet cash flow associated with the match requirement of the FY19 project. Brad is recommending an amount of $250,000 with Commerce Bank. Debt service associated with the line of credit would be paid from revenues associated with the lease of the building with Transport 360. There may be unused FY19 funds from other ports that are returned, and this could provide an opportunity to the port to do some prefabricated storage bins. If this extra funding should become available, the line of credit would be needed to meet the additional match requirement for this funding as well. Should this funding become available, its approval of the project would come back before the Commissioners. Following completion of the construction projects, the amount borrowed on the line of credit would most likely be converted into a long-term loan.

A motion to approve authorization for the Chairman to sign all documents necessary to re-establish a line of credit with Commerce Bank in an amount of $250,000, further authorizing the executive director to establish the necessary amount to meet match requirements and the Chamber’s VP of Administration to make such draws, was made by Mark Woodbury and seconded by Terry McClatchey. Motion approved.

7. **AUTHORIZATION FOR EXECUTIVE DIRECTOR TO SUBMIT APPLICATIONS FOR MoDOT FREIGHT ENHANCEMENT GRANT**

Brad Lau stated this is a competitive grant through MoDOT that the Port Authority has submitted applications for in the past with AGP to resurface the truck staging loop that AGP uses. So far the project has not been funded, however, Brad feels it is worth submitting an application again. AGP agrees to provide the match requirement. Transport 360 would also like to submit an application for a floating dock. MoDOT has recommended the Port Authority be the applicant on both application because of its experience with MoDOT bidding requirements. In the event one or both applications is selected by MoDOT for funding, the Commissioners would approve the grant agreement.

A motion to authorize the Executive Director to submit applications for MoDOT Freight Enhancement Grants was made by Terry McClatchey and seconded by Glenn Drake. Motion approved.
8. **Transport 360 Update by Bill Becker**

Bill discussed the need for hoppers and bins and what a benefit they would be if funding became available. He explained how they would be used. February was the first profitable month after all the start-up costs. Bill has had a lot of inquiries. He talked about the potential of the City's salt and storing it. They entered into an agreement with St. Joseph Bio Diesel and are loading a couple rail cars a day. They are also unloading fertilizer on rail. Bill said towboat owners are very interested in what is going on. He has one full-time sales person, two part-time sales people, one in product development and one on retainer that is a river expert as well as himself.

9. **Other Business**

No other business

10. **Adjourn**

With no other business to be discussed the meeting adjourned at 1:41 p.m.

Respectfully submitted,

Mark Woodbury, Secretary