

**Red Wing Port Authority Board  
Regular Meeting  
City Council Chambers  
March 3, 2026**

**Members Present:** Port Authority Board President Paul Reding; Commissioners Bethanie Flattum, Kim Beise, Wylie Wilson, Donald Kliewer, Jim Ross, and Thomas Drazkowski

**Members Absent:** Commissioner Drazkowski (excused absence)

**Others Present:** Kyle Klatt, Community Development Director / Port Authority Executive Director; Shari Chorney, Business Development Manager / Staff Liaison

**1. Call to Order**

Port Authority Board President Paul Reding called the meeting to order at 4:30 p.m.

**2. Pledge of Allegiance**

President Reding led the recitation of the Pledge of Allegiance.

**3. Excusal of Members**

President Reding stated that Commissioner Drazkowski called and stated that he would not be attending.

President Reding stated that he'd entertain a motion to excuse Commissioner Drazkowski from the meeting.

A motion was made by Commissioner Kliewer, seconded by Commissioner Wilson, to excuse Commissioner Drazkowski from the meeting. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

President Reding and Commissioners Kliewer, Flattum, Beise, Wardle, Wilson, and Ross were in attendance.

**4. Approval of Agenda**

This item was not addressed.

**5. Approval of Minutes**

**A. Motion to Approve February 3, 2026, Port Authority Minutes.**

A motion was made by Commissioner Flattum, seconded by Commissioner Beise, to approve the February 3, 2026, Port Authority Minutes as drafted. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

**B. Motion to Approve February 3, 2026, Port Authority Special Meeting Minutes.**

A motion was made by Commissioner Flattum, seconded by Commissioner Beise, to approve the Port Authority Special Meeting Minutes as drafted. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

## **6. Public Comment**

No one was present for public comments.

## **7. Public Hearing**

President Reding stated that there are no public hearings scheduled.

## **8. Motions & General Business**

### **A. Motion to Approve January 2026 Balance Sheets and Budget Report.**

Director Klatt stated that there isn't a lot to report because we are still so early in the year. Many of our expenses have yet to hit the statements. The 2026 Budget that the Port Authority Board adopted in November is reflected in the January 2026 Balance Sheets.

Director Klatt reviewed the Capital Account Summaries and stated that later in the evening, the Port Authority Board will be requested to designate funding for a program that will diminish the funds available for projects. The current balance is about \$506,000, and there will be a request for the Port Authority Board to designate \$120,000 towards the West End Business Assistance Program.

A motion was made by Commissioner Flattum, seconded by Commissioner Wilson, to approve the January 2026 Balance Sheets and Budget Report. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

### **B. Consider Motion to Authorize the Sign, Awning, & Façade Grant Program to Continue in 2026 with a Maximum Funding Amount of \$20,000.**

Manager Chorney stated that this is something that the Port Authority Board pretty much does every year. The money comes from Contractual Services. This was a budget item that was approved in 2025. This is simply a formality.

A motion was made by Commissioner Beise, seconded by Commissioner Ross, to Authorize the Sign, Awning, & Façade Grant Program to Continue in 2026 with a Maximum Funding Amount of \$20,000. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

### **C. Consider Motion to Approve a Sign, Awning, and Façade Grant for Health Within Chiropractic in the Amount of \$3,686.21.**

Manager Chorney stated that the owner's background was included in the packet for Health Within Chiropractic. She listed locations that the business has operated from. The signage was completed in September of 2025, and the owner meets all of the criteria.

Commissioner Flattum stated that the sign says, "Health Ways," the paperwork says, "Health Within." Commissioner Flattum asked for clarification. Dr. Ketterling, the owner, came forward and stated that they are combining the two businesses within one location.

A motion was made by Commissioner Wilson, seconded by Commissioner Flattum, to Approve a Sign, Awning, and Façade Grant for Health Within Chiropractic in the Amount of \$3,686.21. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

**D. Consider Motion to Recommend that the City of Red Wing Maintain Ownership of the Mooring Clusters Located Adjacent to the Red Wing Grain Dock Facility and to Recommend that the City Enter into a 37-Year Lease Agreement with the Port Authority for their Operation, Maintenance, and Management Under Terms Approved by the City Council.**

President Reding stated that the Port Authority Board received some additional information regarding this topic during yesterday's Workshop Meeting.

Manager Chorney stated that she spoke with Jim Larson, who runs Red Wing Grain, after the Workshop Meeting, and Larson spoke of the importance of the Mooring Clusters for his operations. Red Wing Grain is proposing a \$14,000,000 project that they have applied for through the Port Structure Development Program. Manager Chorney projected an image that illustrated the project that Red Wing Grain is hoping to undertake. The infrastructure is seventy years old, and it is a very important project for the Red Wing Community.

Manager Chorney stated that Red Wing Grain has been managing without the failing Mooring Clusters because it hasn't been quite as busy, and Little Charlie, the tugboat, has been very accommodating. Due to the requirements from the Minnesota Management and Budget, the Port Authority is required to have some sort of ownership of those Mooring Clusters. Currently, the City of Red Wing owns them.

Manager Chorney stated that there are two choices. The first choice is to have the City enter into a thirty-seven-plus-year lease agreement with the Port Authority. The second choice is to ask the City to sell the Mooring Clusters to the Port Authority. The City Attorney's letter was included in the packet, and it is being recommended to enter into the lease agreement.

Commissioner Kliewer asked for clarification as to what the City has done in the past. Manager Chorney stated that the City has granted long-term lease agreements to the Port Authority in the past.

Commissioner Wilson stated that the lease would be a better option because the City owns the adjacent property. Commissioner Wilson asked if a longer lease

could be requested. Manager Chorney stated that there doesn't appear to be any reason not to request a longer lease.

Commissioner Wilson suggested that since the life of the Mooring Clusters will likely be about fifty years, it would be good to have a fifty-year lease in place. Commissioner Flattum agreed with Commissioner Wilson.

Manager Chorney stated that the Office of MMB has their own calculations with what they can live with.

A motion was made by Commissioner Flattum, seconded by Commissioner Wilson, to Approve the Recommendation that the City of Red Wing Maintain Ownership of the Mooring Clusters Located Adjacent to the Red Wing Grain Dock Facility and to Recommend that the City Enter into a 50-Year Lease Agreement with the Port Authority for their Operation, Maintenance, and Management Under Terms Approved by the City Council. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

**E. Consider Motion to Authorize the Use of up to \$150,000 from the Port Authority's Redevelopment Stimulus Fund towards the West End Business District Assistance Program.**

Manager Chorney stated that this is a yearly procedural motion, and Staff recommends that the program continue.

President Reding asked for clarification as to whether this was the same district that was enlarged last year. Manager Chorney stated that President Reding was correct.

Manager Chorney listed a couple of businesses that have received assistance from the program.

Director Klatt stated that the Comprehensive Plan shows this area as a targeted area for redevelopment. The program has been active for the past five years.

Commissioner Kliewer clarified that the program does not provide a loan; the program provides a matching grant. Manager Chorney confirmed that was correct.

Commissioner Kliewer expressed concern that only two businesses had used the program in five years. Director Klatt stated that roughly \$50,000 has been used over the past five years.

Commissioner Beise asked if there is any concern that by taking \$150,000 from the budget for this, the Port Authority may have a problem with the projects that are currently ongoing. Director Klatt stated that he doesn't foresee any future concerns.

Commissioner Wilson asked if the money could be returned or reallocated. Director Klatt confirmed that was correct.

Commissioner Kliewer asked if the Port Authority approved \$150,000 for the program last year. Manager Chorney answered in the affirmative.

Commissioner Kliewer asked how much money was used last year from the program. Manager Chorney stated that none of the money was used last year.

President Reding stated that he views this motion as a renewal of the Port Authority's commitment to that program.

Director Klatt reminded the Port Authority Board that there is an application process, and the Finance Committee reviews the applications.

A motion was made by Commissioner Flattum, seconded by Commissioner Ross, to Approve the Motion to Authorize the Use of up to \$150,000 from the Port Authority's Redevelopment Stimulus Fund towards the West End Business District Assistance Program. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

**F. Consider Motion to Appoint Commissioner Wylie Wilson to the Red Wing Harbor Advisory Committee for a Term Expiring December 31, 2028.**

Manager Chorney added this item.

A motion was made by Commissioner Ross, seconded by Commissioner Kliewer, to Approve the Motion to Appoint Commissioner Wylie Wilson to the Red Wing Harbor Advisory Committee for a Term Expiring December 31, 2028. A vote was conducted, and the motion carried unanimously by a vote of 6:0.

**9. Communication Items**

**A. Executive Director's Report.**

Director Klatt provided updates.

- Director Klatt stated that the Jefferson School Building is still in the Due Diligence phase of the project.
- Director Klatt stated that the application for the designation as a historic property has been nearly completed.
- Director Klatt stated that the phase one Environmental Study for the Jefferson School Building is being wrapped up.
- Director Klatt stated that the City is planning to move forward with developer outreach in mid-April through mid-May for the Jefferson School Building.
- Director Klatt stated that the hope is to get an RFP by the end of May, there would be a couple of weeks for responses to come forward, and a preferred candidate would be brought forward by the end of June.

- Director Klatt stated that, given the timelines, there may need to be a Special Meeting scheduled for the Port Authority Board.
- Director Klatt stated that Staff is continuing to work with the contractor for the Central Research Building. The Contract should be executed this week with the developer.
- Director Klatt stated that there should be some activity happening relatively soon. Asbestos abatement should come first.
- Director Klatt stated that the Lease Agreement for the Mooring Clusters will be going before the City Council on March 9, 2026.
- Director Klatt apologized for failing to send out the video training links and promised to take care of it first thing in the morning.

**B. Committee Reports.**

President Reding stated that there are no committee reports to be made.

**C. Discussion Items: 2026 Rules & Policies for Boards and Commissions.**

Director Klatt stated that the Port Authority Board is not expected to act on this matter. The Boards and Commissions are asked to follow the 2026 Rules & Policies for Boards and Commissions, have an agenda, and offer public comment. The Port Authority Board hasn't required time limits for speakers, but other City entities have.

President Reding stated that he'd like to follow the City Council's lead on the requirements for public comments. Commissioner Flattum concurred.

Commissioner Kliewer stated that there may be some changes to the terms for Port Authority Board Members.

**10. Adjournment**

President Reding adjourned the meeting at 5:15 p.m.

ATTEST:

  
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 Shari Chorney, Secretary