

# DESTINATION MEDICAL CENTER CORPORATION

## RESOLUTION NO. 119-2021

### **Providing Final Approval for the Expenditure of Funds from the 2021 and 2022 CIP Budget for the Discovery Walk Project**

The following Resolution was offered by Brooke Carlson, seconded by Pamela Wheelock.

#### BACKGROUND RECITALS

A. Extensive planning and effort have been devoted to the four-block linear parkway project along 2<sup>nd</sup> Avenue SW (“Discovery Walk”). This significant project, led by the staff of the City of Rochester (the “City”) and the Destination Medical Center Economic Development Agency (“EDA”) and their consultants, researched successful community health initiatives, and pursued schematic design, detailed design, and on-going community engagement.

B. The DMCC has made significant approvals for Discovery Walk. In the 2020 Five Year Capital Improvement Plan, (the “2020 CIP”) approved by the DMCC on September 26, 2019, the DMCC preliminarily approved the next steps of the design of Discovery Walk in the amount of \$2,800,000. In the 2021 Five Year Capital Improvement Plan, (the “2021 CIP”), approved by the DMCC on August 27, 2020, the DMCC preliminarily approved design and implementation of Discovery Walk in the amount of \$7,000,000, with an overall project budget of \$16,800,000. The 2020 CIP and the 2021 CIP declared Discovery Walk to be a public infrastructure project, consistent with the Development Plan adopted by the DMCC on April 23, 2015, as amended. The DMCC reserved final approval upon final determination of scope, costs, and availability of funds. By Resolution No. 110-2020, adopted on November 19, 2020, the DMCC approved the design development drawings for Discovery Walk and authorized proceeding with construction documents and bids. By Resolution 114-2021, adopted on March 23, 2021, the DMCC approved an expanded scope of the construction bid documents to include add-alternates for a snow-melt system and weather shelters.

C. The City has received bid responses for Discovery Walk, and construction is expected to occur in 2022 and 2023. Staff report that the bid responses reflect a base project cost of \$15,560,000 (under budget); an add-alternate for the snow melt system cost of \$858,000; and an add-alternate for three community spaces (weather-protected outdoor seating), which will be re-bid at an estimated amount of \$2,100,000. The total recommended project costs are \$18,520,000, an increase of \$1,720,000.

D. The City and EDA staff now request final approval of the 2021 CIP in the amount of \$7,000,000 and final approval of the 2022 Five Year Capital Improvement Plan adopted of even date (the “2022 CIP”) in the amount of \$7,000,000 for the construction of Discovery Walk. The 2022 CIP also budgets for construction costs of \$1,720,000 for the year 2023. Staff requests approval of the Discovery Walk snow melt system and three community spaces as a public infrastructure project.

RESOLUTION

**NOW THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation Board of Directors that the DMCC finds that Discovery Walk addition of a snow melt system and three community spaces is a public infrastructure project within the meaning of Minnesota Statutes, Section 469.40, subdivision 11, which provides for: installing and constructing or reconstructing elements of public infrastructure required to support the overall development of the destination medical center development district, including, but not limited to, streets, roadways, utilities systems and related facilities, utility relocations and replacements, streetscape improvements, drainage systems, sewer and water systems, subgrade structures and associated improvements, landscaping, and other components of community infrastructure, as well as site improvements. The DMCC approves these additions to the project as consistent with the Development Plan

**BE IT FURTHER RESOLVED**, that the Board approves payment for construction of Discovery Walk in the amount of \$7,000,000 for the 2021 CIP and \$7,000,000 for the 2022 CIP.

**BE IT FURTHER RESOLVED**, that the Board supports the City in its bid process for this project and requests that the City and EDA staff provide regular updates with respect to Discovery Walk.

The question was on the adoption of the Resolution and there were 6 YEAS and 0 NAYS, as follows:

BOARD OF DIRECTORS  
Destination Medical Center Corporation

	<u>YEA</u>	<u>NAY</u>	<u>OTHER</u>
James V. Bier	<u>X</u>	_____	_____
James R. Campbell	<u>X</u>	_____	_____
Brooke Carlson	<u>X</u>	_____	_____
Michael E. Dougherty	_____	_____	_____
Kim Norton	_____	_____	_____
R.T. Rybak	<u>X</u>	_____	_____
Pamela Wheelock	<u>X</u>	_____	_____
Paul D. Williams	<u>X</u>	_____	_____

RESOLUTION ADOPTED on September 30, 2021.

ATTEST: \_\_\_\_\_

  
R.T. Rybak, Chair  
Destination Medical Center Corporation