

**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. 148-2024**

**Approving Amendment to the 2024 Five Year Capital Improvement Plan as to  
the City DMC Project Management Team**

The following Resolution was offered by Kim Norton,  
seconded by Brooke Carlson.

**BACKGROUND RECITALS**

A. The Destination Medical Center Corporation (“DMCC”) and the City of Rochester (the “City”) annually approve a five-year capital improvement plan. Starting with the 2020 Five Year Capital Improvement Plan, the DMCC and the City have included a category for City staff overseeing and managing projects approved by the DMCC and the City (“City DMC Project Management”).

B. The DMCC approved the 2024 Five Year Capital Improvement Plan (the “2024 CIP”) on September 28, 2023 and approved the projects set forth in the first year of the 2024 CIP as public infrastructure projects within the meaning of Minnesota Statutes Section 469.40, subdivision 11, and consistent with the development plan adopted by the DMCC on April 23, 2015, as amended (the “Development Plan”). The 2024 CIP was later approved by the City. The 2024 CIP provided funding for the City DMC Project Management category in the amount of \$1,157,454.

C. The DMCC, the City, and the EDA have considered additional resources and staff necessary to support significant DMC-related development projects, including Mayo Clinic’s *Bold. Forward. Unbound. in Rochester.* initiative. To allow additional staff to support the City DMC Project Management team, staff from the City and the EDA request that the DMCC amend the 2024 CIP to increase the funding for this category by an amount not to exceed \$67,000. This increase will support Deputy City Administrator Cindy Steinhauer’s assuming new responsibilities for coordinating construction activities within the development district – the geographic area in the City identified in the Development Plan in which public infrastructure projects are implemented – and overseeing the City DMC project managers. Staff has reasoned that this increase is intended to encompass fifty percent of all costs related to this position, effective July 1, 2024, and that the source of funding for this increase is expected to be the local sales tax related to the DMC initiative.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation Board of Directors, that the DMCC approves, subject to approval by the City, an amendment to the 2024 CIP by increasing the amount budgeted for City DMC Project Management by an amount not to exceed \$67,000.

**BE IT FURTHER RESOLVED**, that the Chair or the Treasurer of the DMCC is authorized to transmit this Resolution to the City of Rochester, and to take such actions as are necessary and appropriate to effectuate the findings and approvals of this Resolution.

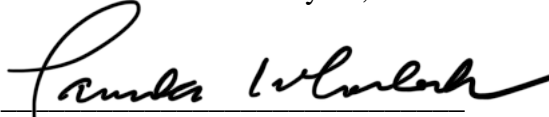
The question was on the adoption of the Resolution and there were 8 YEAS and 0 NAYS, as follows:

**BOARD OF DIRECTORS**

**Destination Medical Center Corporation**

	<u>YEA</u>	<u>NAY</u>	<u>OTHER</u>
Douglas M. Baker, Jr.	<u>X</u>	_____	_____
James R. Campbell	<u>X</u>	_____	_____
Brooke Carlson	<u>X</u>	_____	_____
Kim Norton	<u>X</u>	_____	_____
R.T. Rybak	<u>X</u>	_____	_____
Mark Thein	<u>X</u>	_____	_____
Pamela Wheelock	<u>X</u>	_____	_____
Paul D. Williams	<u>X</u>	_____	_____

RESOLUTION ADOPTED on May 23, 2024.

ATTEST:   
Pamela Wheelock, Chair  
Destination Medical Center Corporation

## EXHIBIT A



Destination Medical Center  
Economic Development Agency

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May 16, 2024

TO: DMCC Board of Directors

FROM: DMC EDA

**RE: 2024 DMC CIP Budget Amendment**

In February 2019, the DMCC approved a recommendation from the DMC EDA and City staff to create a DMC Project Management team within the City of Rochester. The team focuses on DMC plan implementation and project delivery, and the costs associated with these services are included in the DMCC's annual funding request.

As the City prepares to support the development associated with Mayo Clinic's "Bold. Forward. Unbound. in Rochester." program, Deputy City Administrator Cindy Steinhauser will be assuming new responsibilities for coordinating these construction activities within the DMC development district and overseeing the City DMC project managers. The DMC EDA is proposing that the 2024 DMC CIP be amended so that, effective July 1, 50% of this position (salary, benefits, work-related travel and professional development) can be considered a DMC expenditure and paid from the City's DMC sales tax revenue.

The increase to the 2024 budget is \$67,000. Any future cost-sharing related to this position will be incorporated into the annual funding request.