

**ROSEMOUNT CITY COUNCIL
REGULAR MEETING PROCEEDINGS
JUNE 20, 2023**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof a regular meeting of the Rosemount City Council was held on Tuesday, June 20, 2023, at 7:00 PM. in Rosemount Council Chambers 2875 145th Street West.

Mayor Weisensel called the meeting to order with Councilmember Freske, Essler, Theisen and Klimpel.

Staff present included the following; Public Works Director Egger, City Administrator Martin, Community Development Director Kienberger, City Engineer Erickson, Finance Director Malecha and Parks & Recreation Director Schultz.

APPROVAL OF AGENDA

Motion by Weisensel Second by Klimpel

Motion to approve the agenda

Ayes: 5.

Nays: None. Motion carried.

PRESENTATIONS, PROCLAMATIONS AND ACKNOWLEDGMENTS

a. 2022 Management and Annual Comprehensive Financial Report

Malloy, Montague, Karnowski, Radosevich & Co., P.A. (MMKR) presented the City's financial records as reviewed by the auditors for the fiscal year ended December 31, 2022. The goal of an independent audit is to provide reasonable assurance that the City's financial statements are free of material misstatement. The audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Motion by Council Member Theisen Second by Council Member Essler

Motion to accept the 2022 financial reports.

Ayes: 5.

Nays: None. Motion .

PUBLIC COMMENT

None

RESPONSE TO PUBLIC COMMENT

Parks & Recreation Director Schultz provided responses to questions and comments made on June 6, 2023 by Terrance Yourchuck. Mr. Schultz responded to the three concerns brought to

the attention of council at the past council meeting.

Mr. Schultz responded to the temperature at the Steeple Center, noting staff works with seniors at the Steeple Center to find a happy medium for all, however comfort levels are different for all and recommends bringing layers to events.

Mr. Yourchuck's reference to a senior agreement has not been agreed upon, only proposed to staff at this point and time.

Mr. Schultz confirmed Rosemount Area Art Council (RAAC) has their own bank account and the City is not interested in collecting money from RAAC for their programming.

CONSENT AGENDA

Motion by Council Member Essler **Second by** Council Member Freske

Motion to approve the consent agenda with item 6.d. removed for further discussion

Ayes: 5.

Nays: None. Motion Carried.

- a. Bills Listing
- b. Minutes of the June 6, 2023 Regular Meeting Minutes
- c. Minutes of the June 6, 2023 Work Session Proceedings
- d. Performance Measure Program

Mayor Weisensel pulled this item for further discussion on the performance measures used to measure the City's operations. Finance Director Malecha further discussed the performance measure program.

Motion by Weisensel **Second by**
Klimpel

Motion to Adopt the Resolution Approving the 2022 Performance Measures

Ayes: 5.

Nays: None. Motion Carried.

- e. Donation Acceptance from Joseph Walsh
- f. Accept Public Streets and Utilities Emerald Isle 2nd Addition
- g. Approval of the Final Plat for Rosecott Place Apartments
- h. Declare Crash Attenuator as Surplus Property
- i. Approval of Council Travel
- j. Temporary On-Sale Liquor License - Celts

PUBLIC HEARINGS

- a. 2023 Neighborhood Infrastructure Improvement Project, Assessment Hearing and

Adopt Assessment Roll

City Engineer Erickson further discussed the 2023 Neighborhood Infrastructure Improvement Project. As part of the Minnesota Statute Chapter 429 process both an improvement and assessment public hearing are required. These are separate hearings and the improvement hearing was previously held on March 3, 2023. With the award of the contract, staff has calculated the final proposed assessment amount for each of the property owners.

As a departure from City policy, staff is proposing that only 24% of the street and surface costs are assessed as a gesture by the City to help lessen the burden on adjacent property owners, capping the per parcel assessment at \$10,000. On May 31, 2023, a neighborhood open house was held and residents on the project were offered the opportunity to meet individually with staff. In addition, staff proposes to allow for the assessments to be payable over a 15-year instead of the standard 10- year term per City policy.

With the extension of utilities into the neighborhood, property owners will be allowed up to 10 years to connect to the city system under certain guidelines noted at previous meetings and staff recommends allowing property owners to pay those charges via a separate special assessment if they decide to connect to the system in 2023 and owners are to connect with staff to sign an agreement for this.

A preconstruction meeting will be held later this week and following this meeting additional information will be available regarding timelines, weekly updates, etc. This information will also be available on the City website.

Mayor Weisensel opened the public hearing at 7:38 p.m.

Terry Kramer

2075 128th Street W

Mr. Kramer had questions regarding the assesment for the extension of utility services and its placement.

Diane Lindo

2193 130th Way W

Ms. Lindo requested for additional information regarding the assessment language;when does 30 days from adoption begin and how to file for hardship assesment deferral.

Jackie Young

12895 Bengal Ave W

Ms. Young had questions as well regarding when the 30 days from adoption begins and the objection process, i.e. how to file objection and what are residents able to object.

Motion by Weisensel Second by Theisen

Motion to close the public hearing at 7:43 p.m.

Ayes: 5.

Nays: None. Motion carried.

City Engineer Erickson clarified the curb stop will be installed at the end of the service line and staff will coordinate with property owners their preference on where installed. The service will be 10 feet from

pavement or property line based upon how the roads were constructed.

City Engineer Erickson responded to the adoption timeframe, noting should council approve tonight, the 30-day clock would start today. Also, property owners are interest free until October 31, 2023.

City Engineer Erickson stated those property owners wanting to object, would need to do so in writing by this meeting. The objection is to object to the street assessment amount and should be noted that the connection fees are not a special assessment and cannot be objected. If a resident were to object, the project would still move forward and the objection would go to the district court for the next steps and the property owner would need to connect with an attorney.

Motion by Council Member Essler **Second by** Council Member Theisen
Motion to:

1. Hold Public Hearing on Assessments.
2. Adopt a Resolution Approving the Assessment Roll for the 2023 Neighborhood Infrastructure Improvement Project, City Project 2023-04

Ayes: 5.

Nays: None. Motion Carried.

- b. Public Hearing for the Proposed Tax Abatement on parcels 34-02600-70-013 and 34-03500-01-011 Located at 1367 – 145th Street East

Economic Development Coordinator Van Oss introduced Rebecca Kurtz of Ehlers who highlighted the proposed tax abatement for Jimnist, LLC development team for a technology campus on approximately 280 acres of land owned by the University of Minnesota in its UMore Park site.

Ms. Kurtz noted the terms of the abatement are unique in comparison to other projects. Under the proposed Abatement Agreement, the City will retain the first \$1 million of City taxes annually for the next 20 years. In the event that the City portion of the taxes exceeds \$1 million, any additional City tax revenue will be reimbursed to Jimnist. The school and county are not participating in the abatement and Ms. Kurtz noted the reasoning for the school to not participate is due to school funding. The county has been in discussion with the project team and is not participating at this time and staff noted the county has not done a tax abatement in recent history. Councilmembers expressed concern with the county not participating.

The Jimnist attorney was present to answer questions and noted the following; the site selection is a highly competitive process and continues to request to remain anonymous until a final deal has been reached. However, the attorney can share the company is a fortune 500 company and a great partner in which they operate. The attorney also noted a discussion took place several weeks ago with the county and the conversation had momentum to keep moving forward.

Mr. Van Oss stated applications for site plans will be proposed in the near future which will provide more information about the project.

Mayor Weisensel opened the public hearing at 8:16 p.m.

Motion by Weisensel Second by Essler

Motion to close the public hearing at 8:17 p.m.

Ayes: 5.

Nays: None. Motion carried.

c. Vacation of Certain Easements in the Prestwick Place 23rd Addition Plat Area

Community Development Director Kienberger discussed the plat which is the site of the future Life Time Fitness and other commercial development in the northeast quadrant of the intersection of Akron Avenue and 145th Street/CSAH 42.

Several easements are shown on the plat that were carried over from the underlying easements granted to the City over the years. The City's engineer is recommending that the underlying easements be vacated and new easements over the same areas be drawn on the plat document that will be recorded with the County.

Mayor Weisensel opened the public hearing at 8:20 p.m.

Motion by Weisensel Second by Klimpel

Motion to close the public hearing at 8:21 p.m.

Ayes: 5.

Nays: None. Motion carried.

Motion by Council Member Klimpel Second by Council Member Essler

Motion to adopt a resolution approving the vacation of certain easements within the Prestwick Place 23rd Addition plat, subject to the inclusion of new easements on the recorded plat.

Ayes: 5.

Nays: None. Motion Carried.

UNFINISHED BUSINESS

NEW BUSINESS

a. Authorizing the Sale of General Obligation Bonds

Finance Director Malecha introduced Doug Green of Baker Tilly who provided more information on bond structuring and sale process. The City has been finalizing plans and awarding contracts for the Police Department and Public Works Campus that will begin construction this month. The 2023-2027 Capital Improvement Plan presented and adopted at the May 2nd City Council meeting provided preliminary approval on the issuance of bonds for construction.

Mr. Green noted the bonds would be awarded on July 11, 2023 with the closing occurring in August 2023; if something alarming were to happen with the market, the bond sale date can be adjusted.

The parameters resolution is a common strategy used to provide flexibility on the timing of the sale, if necessary. It establishes a "Pricing Committee" consisting of Port Authority Board Chair, Executive Director and Treasurer to approve the sale of the bonds based on two parameters: maximum par amount of \$48 million and maximum true interest rate of 6.5%. Mr. Green also noted the Jay Simmons

neighborhood street project and Akron Ave South are lumped into the debt issuance based upon the parameters of the projects.

Councilmembers discussed the tax impact and mentioned to be aware of the school district levy.

City Administrator Martin mentioned the City has never done anything like this and in comparison to other cities, Rosemount has very minimal debt.

Motion by Council Member Essler **Second by** Council Member Klimpel

Motion to Adopt a Resolution Providing for the Competitive Negotiated Sale of \$64,865,000 General Obligation Street Reconstruction and Capital Improvement Plan Bonds, Series 2023A

Ayes: 5.

Nays: None. Motion Carried.

b. Award Bids for the Life Time Facility Construction

Parks & Recreation Director Schultz recapped the several bids recieved for specialty areas of the Life Time facility project. A detailed spreadsheet that compares the Contstruction Manager's estimate and award letters were further discussed.

Councilmembers requested another line on the spreadsheet to show items that Lifetime is in charge of and to continue to show the full project cost.

Motion by Council Member Freske **Second by** Council Member Theisen

Motion to recommend the City Council accept the bids and award contracts to the lowest responsible bidder as described in the letters of recommendation for the following specialty areas:

1. Landscaping
2. Doors and Misc. Openings
3. Drywall, Carpentry, Fireproofing and Painting
4. Flooring
5. Signage
6. Athletic Equipment
7. Mechanical

Ayes: 5.

Nays: None. Motion Carried.

c. Authorize Declaration and Site Development Agreement with Life Time

City Administrator Martin recapped Port Authority's actions earlier this evening discussing City Council's consideration of the Declaration of Easements and Covenants along with the Site Development Agreement between the City and Life Time. This document is directly connected to other previously authorized documents which establish each parties' duties in the deal, including the Lease and the Partial Assignment of property acquisition rights.

A few items discussed from the declaration; future Aspen Avenue installation i.e. Life Time will pay an assessment for the southern portion of Aspen Avenue up to the private "spine road", and the City will not be assessing itself for the property north of the spine road, Life Time will be paying for all

infrastructure installed on the remaining developable sites.

Motion by Council Member Theisen **Second by** Council Member Essler

Motion to City Council authorize execution of various agreements related to the Life Time project

Ayes: 5.

Nays: None. Motion Carried.

d. Receive Donation and Execute Agreement with Flint Hills Resources

City Administrator Martin presented the donation and agreement brought forth tonight with Flint Hills. A total of 20 acres of land on Biscayne Avenue from the National Guard was donated to the City for the Police Department/Public Works Campus. The National Guard requested that the City find a similar 20 acre parcel to replace within the National Guard's landholdings for potential future use as an Armory and Flint Hills found a 20 acre parcel along Akron Ave. north of the soccer fields to offer the National Guard. Councilmembers and staff expressed their gratitude for this land donation.

Motion by Council Member Essler **Second by** Council Member Klimpel

Motion to receive a land donation from Flint Hills Resources and authorize the Mayor and City Clerk to execute necessary agreements

Ayes: 5.

Nays: None. Motion Carried.

ANNOUNCEMENTS

a. City Staff Updates

City Administrator had no staff updates for Council.

Councilmembers recognized recent athletes and teams at Rosemount High School's for their successful season at state.

b. Upcoming Community Calendar

Mayor Weisensel reviewed the calendar of events and upcoming meetings.

ADJOURNMENT

There being no further business to come before the City Council at the regular council meeting and upon a motion by Weisensel and a second by Essler the meeting was at 9:04 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk