

DESTINATION MEDICAL CENTER CORPORATION
BOARD OF DIRECTORS

MINUTES
March 25, 2014

- I. **Call to Order.** Chair Tina Smith called the meeting to order at approximately 10:30 a.m. in the Mayo Civic Center, Ballroom, in Rochester, Minnesota.
- II. **Roll Call.** In attendance were Chair Tina Smith, Mayor Ardele F. Brede, Commissioner Jim Bier, William George, City Council Member Ed Hruska, Susan Park Rani, R.T. Rybak and James R. Campbell.
- III. **Adoption of Agenda.** Chair Smith requested a motion to approve the agenda.

Mr. Rybak moved approval. Mr. Campbell seconded.

Ayes (7), Nays (0), Motion carried.
- IV. **Approval of Minutes.** Chair Smith requested a motion to approve the Minutes from meetings of both January 30, 2014 and February 19, 2014.

Council Member Ed Hruska moved approval. Commissioner Bier seconded.

Ayes (7), Nays (0), Motion carried.
- V. **Public Comment Period.** Chair Smith invited members of the community to address the Board.
 - A. Barry Skolnick - Rochester resident. Mr. Skolnick suggested attachments be posted to the agenda prior to the meeting, and requested a future planning focus on a mix of uses, entertainment for all economic strata. He also requested consideration of public school, playgrounds and community meeting/amenities and other retail that supports community.
 - B. John Kruesel - Rochester resident and business owner. Mr. Kruesel noted the many master plans that are underway. Recognizing the speed at which DMCC is moving, he requested that meetings be held in a single location so that meetings are easier to find. He questioned if projects were moving forward prior to the DMCC Development Plan being finalized and suggested this may not be favorable to an open process. He also noted the contribution Mayo Clinic and community have made to the historic significance, community and fabric of Rochester, and stressed importance of community and suggested that historic and landmark buildings be considered as a 9th pillar of the DMC project.
- VI. **Chair's Report.** Chair Smith provided an overview of the meeting agenda.

VII. **Election of Vice Chair.**

Mayor Brede nominated Mr. Rybak as Vice Chair. Mr. Campbell seconded.

Ayes (8), Nays (0), Motion carried.

VIII. **Action Items.**

A. **Resolution A: Designating Offices to Execute Contracts and Other Instruments.**

B. **Resolution B: Authorizing Payment of Daily Compensation of Expenses.**

Chair Smith invited comments and questions from the Board.

Council Member Hruska inquired if there would be a report of contract approvals and/or expenses by the designees under Resolution A. It was noted that the Treasurer and Assistant Treasurer are working out the form of report.

Council Member Hruska inquired if reports would be made after the approvals. Chair Smith agreed with the goal of full transparency and accountability.

Mr. Campbell moved approval of Resolution A and Resolution B. Council Member Hruska seconded.

Ayes (8), Nays (0), Motion carried.

IX. **Overview of Selected Statutory Provisions Affecting Public Officials.** Chair Smith asked Kathleen Lamb of McGrann Shea to provide an overview of the memorandum provided to the Board regarding the laws that cover public officials.

X. **Economic Development Agency.** Chair Smith invited Lisa Clarke, the Executive Director of the EDA to provide the report. Amy Supple of Hammes Company, the EDA Project Manager, and Keith Rowan of Hammes Company assisted with the report.

A. **Development Plan and Community Input Process/Schedule.** Ms. Clarke indicated that the EDA has standardized a report which will be provided to the DMCC Board to update the Board on the progress of the Project.

1. **Master Project Schedule.** An update to the Master Project Schedule was provided recognizing that the DMCC, City and EDA agreements were approved in February 2014. The schedule remains approximately 1 year, which is the timeline previously approved.

Mr. Rowan indicated that the EDA was authorized to negotiate with consultants in March, after the execution of the DMCC/EDA contracts, and that the EDA is in the process of finalizing these contracts as of the date of this meeting. The drafting of the report will occur over approximately 8 ½ months. A Preliminary Draft of the Development Plan will be completed in December 2014 and submitted to the City for a 60-day public comment period. Adoption of the report is anticipated in February 2015.

While an aggressive schedule, the planning team has agreed to the schedule and the EDA can manage the process with input and feedback from the Board being provided at DMCC Board meetings. A visioning session will be planned for April. Four public meetings and community conversations will be held throughout the year. Mr. Rowan also indicated the EDA has been working to try to coordinate schedules between the DMC Development Plan (plan 1 year), and the City Comprehensive Plan (1.5 to 2 years).

2. Coordination with City on Comprehensive Plan. The EDA has worked to find efficiencies in timing and scopes of work with the City Comprehensive Plan. The EDA and City have agreed to share the transportation and infrastructure consultants on both plans to maximize efficiencies in these scopes of work. The EDA and City are in the process of finalizing negotiations on contracts and working to align planning schedules.

Mr. Rybak noted that this is an aggressive plan, but, wanted to make sure the planning does not slow progress of development. Mr. Rybak asked the EDA to consider opportunities to reorder some of the analysis to move the siting of uses and to discuss some of the transportation, access and parking considerations earlier in the process. He also suggested that the public engagement process be organized to allow public comment on the topic.

Mr. George also registered concerns about the length of time for the planning effort. Mr. George asked that the EDA look for opportunities to accelerate the process and to understand the constraints to advancing the process.

Council Member Hruska, Mr. Campbell, Commissioner Bier and Mayor Brede suggested that the EDA advance plans as quickly as possible, maximize efficiencies with use of existing data and encourage interaction with the City and the DMCC Board.

Mr. Rybak asked that the EDA come back with a plan for a different level of interaction from the DMCC. He requested a re-examination of how to streamline and sequence elements of the plan to maximize efficiencies, including requesting a longer kick-off/visioning meeting that includes both DMCC and EDA Boards to accelerate the planning process and direction.

Mr. George and Mr. Campbell requested that we organize a series of trips and/or provide information sessions on best practices of other locations.

The board discussed some of the ideas for the April visioning session including understanding the Downtown Master Plan and taking a tour of Rochester to understand the community as a whole.

Chair Smith wrapped up the discussion, recognizing that the EDA is also concerned with schedule and requested that we revisit this discussion at the next meeting.

- B. Women, Minority, Business Enterprises Update. The EDA has been working with DMCC Board Members Mr. Rybak and Ms. Park Rani, as well as the City to

identify strategies for WMBE, targeted business and inclusion efforts. Additional information will be presented at future board meetings.

Chair Smith invited Randy Staver, Rochester City Council President, to speak regarding the City's progress on the WMBE policy as required by the DMC legislation. Council President Staver reported that the City has issued a draft of a policy and is working with the DMCC and EDA to gain their feedback and input on the strategy. The City has met with the Council of Black Minnesotans and provided a draft of the document to the Council. The City is considering adopting the policy as an interim policy.

Mr. Rybak commended the efforts to date. Mr. Rybak asked for the EDA and City to consider opportunities to coordinate planning and construction elements of projects to encourage opportunities for small business to participate.

- C. Statutory Certification of Projects. The EDA reported that by statute, certification of projects must be completed each April 1, and that the EDA is working with the Department of Employment and Economic Development ("DEED") to complete the certification.

Chair Smith moved, and Mr. George seconded a motion to delegate the authority to Commissioner Bier to execute a certification on behalf of the DMCC, if required by DEED.

Ayes (8), Nays (0), Motion Carried.

XI. **Discussion.**

Discussion ensued with respect to how to ensure that best practices are used to guide the DMCC as it moves forward to fulfill its statutory charge. Suggestions included: gaining a thorough understanding of Rochester as well as other cities with medical facilities; meeting directly with planners; learning Mayo Clinic's strategy and short and long-term planning efforts; engaging directly with the EDA Board; recurring monthly reports on activities; focusing on actual results.

XII. **Adjournment.** Chair Smith adjourned meeting.

Mr. Rybak moved adjournment. Mayor Brede seconded.

Ayes (8), Nays (0), Motion carried

The meeting was adjourned.

Respectfully submitted,



Lisa Clarke
Secretary