

CALL TO ORDER

Pursuant to due call and notice thereof a work session of the Rosemount City Council was held on Tuesday, April 5, 2022 at 5:00 pm at Rosemount City Hall, Council Chambers, 2875 145th Street West.

Mayor Droste called the meeting to order with Councilmember Weisensel, Block Essler, and Freske.

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

Guests in attendance included: City Attorney Mary Tietjen and Aaron Koehler - Vice President of Real Estate Development for Life Time.

DISCUSSION

2.a. Personnel Updates

City Administrator Martin and council discussed police officer PTSD claims.

2.b. 2022 Street Improvement Project - Alternate Bids

Public Works Director Egger provided an overview of the upcoming 2022 Street Improvement Project and the project's schedule. Bids have been opened and the final cost has been calculated.

City Engineer Erickson gave a brief presentation to council regarding areas of the project and the different curbing options with costs. Staff requested council's direction on the inclusion of curb on a portion of streets where it currently does not exist.

Councilmember Block questioned if the residents in the project areas requested that the curbing be installed. Staff has not received requests regarding curbing from the residents. Councilmember Freske discussed with staff the assessment policy and if it needs to be revised in the near future.

Councilmembers and staff discussed the current condition on the roadways and the assessment costs attached to the curbing options. Councilmembers were not favor of accepting the bids with curbing, especially in light of the strong lack of neighborhood desire for the added work. Concrete curbing will only be installed on Danbury Way to replace the existing curbing.

2.c. Public Private Recreation Center Project

City Administrator Martin and Parks & Recreation Director Schultz presented to council the proposed Public Private Partnership with Life Time.

Aaron Koehler, Vice President of Real Estate Development for Life Time was present to answer council's questions. Life Time will operate an approximately 107,000 sq. ft.

facility featuring indoor and outdoor pools with water slides, indoor and outdoor café, exercise facilities, gyms, outdoor pickleball courts, etc. Life Time will be responsible for furnishing and maintaining the building for the life of the lease. There will be no annual City costs to maintain or repair the building or grounds.

The City will own the building and retains the asset in perpetuity, as a reflection of its \$21 million investment in the project. Life Time will lease the building from the City, the annual lease payment is equal to their portion of the bond payment (i.e. payments for the \$27 million portion of the debt). The City will act as financial lender for the deal, utilizing bond capacity to acquire funds. The City assumes risk of lease default by operator. In that scenario, a new tenant would be pursued, or the sale of the City-owned asset would occur to pay off any remaining bond debt. Landfill tipping fees have consistently been considered as the source of the City's funds, as a way to protect taxpayers from exposure to fund the project.

If approved by the City Council at its regular meeting, the terms of the Letter of Intent will be transitioned into a Lease Agreement with Life Time. The Lease will be considered by their Board of Directors in May, with authorization by the City Council coming thereafter. If the project receives approvals across all required steps over the coming months, site preparation would begin this fall, with construction spanning all of 2023. A facility would be open to guests in early 2024. Site and building designs will be presented to council at a future meeting to see what Rosemount's facility will look like.

UPDATES

3.a. Project Updates

Community Development

Community Development Director Kienberger updated council on the Small Area Plan at the intersection of Cty Rd 42 and Hwy 3.

ADJOURNMENT TO REGULAR COUNCIL MEETING

Upon a motion by Droste the meeting was unanimously adjourned at 6:49 p.m. to the regular council meeting.

CALL BACK TO ORDER

Mayor Droste called the meeting back to order with Councilmember Weisensel, Block, Essler and Freske at 8:38 p.m.

UPDATES

3.a. Project Updates (continued)

Parks & Recreation

Parks and Recreation Director Schultz provided an update about the ISG agreement for the Bonaire Path Feasibility Study for trails.

3.b. Staff (& Councilmember) Reports

Councilmember Freske requested to schedule a council "out and about" event to gauge future participation from residents.

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3.b.i. Upcoming Council Events

Mayor Droste updated councilmembers and staff about upcoming events.

ADJOURNMENT

There being no further business to come before the City Council and upon a motion by Droste, second by Freske the meeting was unanimously adjourned at 9:52 pm.

Respectfully Submitted,
Jessie Paque
Deputy City Clerk