



Dakota County

General Government and Policy Committee of the Whole

Minutes

Tuesday, June 24, 2025

9:30 AM

**Conference Room 3A, Administration
Center, Hastings**

(or following County Board)

1. Call to Order and Roll Call

The meeting was called to order by Commissioner Workman at 10:47 a.m.

Present	Commissioner Mike Slavik Commissioner Joe Atkins Commissioner William Droste Commissioner Liz Workman Commissioner Mary Liz Holberg Commissioner Mary Hamann-Roland
Absent	Commissioner Laurie Halverson

Also in attendance were Heidi Welsch, County Manager, Tom Donley, First Assistant County Attorney, and Liz Hansen, Administrative Coordinator.

The audio recording of this meeting is available upon request.

2. Audience

Chair Workman noted that all public comments can be sent to
CountyAdmin@co.dakota.mn.us

No comments were received for this agenda.

3. Approval of Agenda (Additions/Corrections/Deletions)

3.1 Approval of Agenda (Additions/Corrections/Deletions)

On a motion by Commissioner Droste, seconded by Commissioner Hamann-Roland, the agenda was approved unanimously.

CONSENT AGENDA

On a motion by Commissioner Hamann-Roland, seconded by Commissioner Slavik, the Consent agenda was unanimously approved as follows. Commissioner Holberg joined the meeting at 10:47 a.m. and did not vote on consent items.

4. County Administration - Approval of Minutes

4.1 Approval of Minutes of Meeting Held on June 3, 2025 and June 10, 2025

Motion: Mary Hamann-Roland

Second: Mike Slavik

Ayes: 5

Commissioner Slavik, Commissioner Atkins, Commissioner Droste,
Commissioner Workman, and Commissioner Hamann-Roland

Excused: 1

Commissioner Holberg

5. Central Operations

5.1 Report On 2025 Year End Projections

Information only; no action requested.

REGULAR AGENDA

6. County Board/County Administration

6.1 Legislative Update

Communications and Public Affairs Director Mary Beth Schubert presented this topic. Tom Downs, a representative from Downs, provided a brief update on federal legislation. Dan Dwight, a representative from Stinson, offered a brief update on state legislation.

Although \$6M in bonding dollars were allocated to the Minnesota Pollution Control Agency (MPCA) for their Capital Assistance Program and those dollars were intended for Dakota County, they were not specifically allocated to the Dakota County Recycling Zone Plus Project. Therefore, MPCA staff have indicated that they will be releasing a Request for Proposals for these funds later this year. Staff will continue to work with Stinson to develop a plan to secure these funds for the Recycling Zone.

Mary Beth Schubert and Georg Fischer, the Physical Development Director, discussed potential 2026 bonding requests. Staff indicated that the four unfunded 2024 bonding requests (Recycling Zone Plus, CSAH 50, Thompson County Park and Energy Improvements) had been submitted to Minnesota Management and Budget (MMB) due to the short time frame. Projects budgets were updated to reflect current estimates, and the projects and budgets can still be amended as they work their way through the MMB process.

The discussion emphasized the need for new requests and proactive planning. Staff will review the draft 2026-2030 CIP for other potential projects for future board consideration. Concerns were raised regarding the \$25 million Recycling Zone project, which includes an \$8 million request from the state and additional funding from federal sources. This highlighted the necessity for further discussions about the project's feasibility and the allocation of Environmental Legacy Funds.

Information only; no action requested.

7. Physical Development

7.1 Resolution No: 25-321

Authorization To Execute Third Contract Amendment With The Boldt Company For Construction Manager/General Contractor Services For Phase II Of Byllesby Dam Water-To-Wire Development Project And Amend Total Project Budget

Motion: Mike Slavik

Second: Liz Workman

Paul Sikorski, Finance Director, and Nikki Stewart, Environmental Resources Director, presented a third contract amendment for construction management on phase two of the Byllesby Dam project, which involves replacing defective piping and site improvements, including storm sewers and a parking lot. The project needs to be completed by year-end.

Georg Fischer, Physical Development Director, and Cole Johnson, Environmental Supervisor, were also in attendance and spoke to this topic.

Concerns included costs, the use of the Dakota County Environmental Legacy Fund to address budget shortfalls, potential project delays, and the contractor's contribution to replacing defective work and/or materials on the project.

Commissioners suggested reevaluating County project standards to reduce costs on future projects.

The potential to use a County Environmental Charge, like those used in other metro counties, to relieve some pressure on the Environmental Legacy Fund was also discussed.

WHEREAS, by Resolution No. 15-532 (October 20, 2015), the Dakota County Board of Commissioners authorized staff to execute a contract for preliminary design tasks on a turbine upgrade project to replace the existing century-old equipment in the dam; and

WHEREAS, to complete this project, County staff developed a team including an engineering consultant to provide project design, a turbine manufacturer to provide turbine and generation equipment in a complete package (e.g., water-to-wire equipment), and a general contractor for installation of the equipment and modification to the powerhouse structure; and

WHEREAS, due to the complexities in the design, construction, and installation of the water-to-wire facilities, including new turbines and generators to maximize the electric power output of the dam in the future, staff concluded that the standard low bid methodology of awarding the construction contract was not appropriate and was unlikely to provide the best value to the County; and

WHEREAS, by Resolution No. 18-538 (October 23, 2018), in accordance with the authority granted in Minn. Stat. 130G.535, the County Board approved

utilizing a special type of contractor relationship that provides both construction management and general contractor services on the project and allows staff to develop and solicit a request for qualification for services; and

WHEREAS, by Resolution No. 19-773 (October 29, 2019), the Dakota County Board of Commissioners authorized the execution of a contract with The Boldt Company to perform Construction Manager/General Contractor Services related to the redevelopment of the site for the project; and

WHEREAS, by Resolution No. 21-368 (July 20, 2021), the County Board authorized the execution of a contract with The Boldt Company to perform Construction Manager/General Contractor Services for Phase II of the development project; and

WHEREAS, by Resolution No. 22-286 (July 19, 2022), the County Board authorized the first amendment to the contract, bringing the total contract value to a not-to-exceed amount of \$22,652,875.42; and

WHEREAS, by Resolution No. 24-247 (May 21, 2024), the County Board authorized the second amendment to the contract, bringing the total contract value to a not-to-exceed amount of \$26,335,502.01; and

WHEREAS, the current amendment in the amount of \$1,300,000 is necessary to cover costs associated with dam safety, electrical and mechanical supporting components, and high voltage interconnection work associated with selling power on the open market to increase dam revenues and reduce the project payback period; and

WHEREAS, staff recommends execution of a third contract amendment with The Boldt Company, bringing the total contract amount to \$27,635,502.01 and including an amendment of the overall project budget in the amount of \$2,414,929, bringing the total project budget to \$50,546,365.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Physical Development Director to execute a third contract amendment with The Boldt Company to provide Construction Manager/General Contractor services for Phase II of the Byllesby Dam Water-To-Wire Redevelopment Project in the amount not to exceed \$27,635,502.01 and amend the overall project budget, totaling \$2,414,929 subject to the County Attorney's Office as to form; and

BE IT FURTHER RESOLVED, That the Dakota County Board of Commissioners hereby amends the 2025 Byllesby Dam Capital Improvement Program Budget as follows:

Revenue

Environmental Legacy Fund

\$2,414,929

Total Revenue	\$2,414,929
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Expense

Byllesby Dam Water-to-Wire (BD0008)	<u>\$2,414,929</u>
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Total Expense	\$2,414,929
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This item was approved and recommended for action by the Board of Commissioners on 7/8/2025.

Ayes: 6

8. County Manager/Deputy/Director's Report

County Manager Heidi Welsch provided the following update:

The budget process is currently halfway complete and staff continue to focus on compiling necessary cuts.

9. Future Agenda Items

The following future agenda item was discussed:

Establishing a consistent policy for signing support letters. Staff mentioned that a governance workshop has been proposed to address these concerns.

10. Adjournment

10.1 Adjournment

Motion: Liz Workman

Second: Mike Slavik

On a motion by Commissioner Liz Workman, seconded by Commissioner Mike Slavik, the meeting was adjourned at 11:54 a.m.

Ayes: 6

Respectfully submitted,
Liz Hansen
Administrative Coordinator