

MINUTES OF THE PROCEEDINGS OF CITY COUNCIL OF STAPLES, MINNESOTA

Special Council Meeting - September 17, 2020

The special meeting of the Staples City Council was called to order by Mayor Etzler at 5:03 p.m. on Thursday, September 17, 2020 at City Hall. Present were Mayor Etzler; City Council Members Case, Johnson, Miles, Murray and Theurer. Toepper was absent. Also present were City Administrator Nelsen, Parks and Recreation Director Jasmer, Public Works Director Grabe, City Clerk Archer and other interested parties.

City Administrator Nelsen presented information regarding the current operating status of the Community Center. On March 17th the Community Center closed pursuant to Governor Walz Executive Order due to the COVID-19. The Community Center reopened on June 22nd at a limited capacity. There is a limit of 25% capacity in the fitness center and 50% capacity in the pool.

The 2020 revenue is projected to be approximately \$233,032 and expenditures to be \$251,093 which will result in a loss of \$18,061. The School District is still uncertain as to usage for the remainder of the year. If they use the facility more, the revenue will increase.

City Administrator Nelsen stated the roof replacement was completed earlier this year. The cost was \$181,343 which was less than the budget amount of \$225,000.

City Administrator Nelsen reviewed the facility evaluation. It includes the following estimates to replace/repair/additions to various facility components:

pool mechanical – air handler and duct work	\$275,000
boiler and heat exchangers	130,000
pool mechanical system	235,000
delaminated deck tile and grout cleaning	24,000
panels in the boiler room	36,430
demo and replace gymnasium mechanical unit	110,000
locker room lockers	40,000
window and door caulk and gasket	6,500
parking lot overlay	30,000
elevator	105,000
automatic sprinkler system	85,000
sidewalk/ramp replacement	35,000
accessible doors	n/a
tuck-pointing	15,000
insulating roof drain leaders	6,000
kitchen	45,000
locker room renovation	\$20,000 to \$40,000 each
conversion to LED in pool	5,860
key card access	5,000

During the shut down period staff was able to install new flooring in the office and one meeting room, fitness center, hallways and restrooms. Painting was completed in most areas. Cardio equipment was moved downstairs and the offices were reconfigured to provide a small meeting room.

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City Administrator Nelsen reviewed the priority one Community Center improvements. The list includes:

partial repair/replacement of delaminated desk tile and grout	\$18,000
electrical panel replacement in boiler room	7,500
gaskets and caulking of doors and windows	6,500
sidewalk/ramp replacement	35,000
tuck-pointing of brick façade	<u>15,000</u>
Total	\$87,200

City Administrator Nelsen stated he proposes opening the Community Center to 24 hour access for members to use the fitness room, gym and locker rooms. The other recommendation is to move to a fee based system where you pay for whatever you sign up for whether that be a membership, a swim lesson, early out programming or a day pass.

City Administrator Nelsen stated that providing 24 hour access allows the City to modify the hours that the Center is staffed. When the building is not in use for a scheduled activity, it will be closed and open to members only with a key card access.

Parks and Recreation Jasmer presented the proposed operating hours for the Community Center. The building would be open from 6:30 a.m. to 9 p.m. on Monday, Wednesday, Friday and 8 a.m. to 3 p.m. on Tuesday and Thursday.

City Administrator Nelsen informed the Council this change in operations is a bridge over the next one to two years to see if the changes make a difference and to wait for the School District to determine what their facilities plan and referendum actions are in the near term.

Councilmember Johnson loves the 24 hour access idea. She wants to know how the fee based system works. Director of Parks and Recreation Jasmer stated there would be an additional fee for the 24 hour access. Fees are charged for each activity beyond the membership fee for fitness, gym and locker room usage.

Councilmember Murray stated he likes what was presented. The improvements already made in the Community Center are great. He supports the 24-hour access idea.

Councilmember Miles agreed we should give it a try and wants staff to keep a close eye on the financial operations and review in six months to see what the results are. He asked how long it would take to implement. City Administrator Nelsen stated we would look to get the 24-hour access implemented immediately and review the member fees with the January renewals.

Councilmember Murray asked what the day use fee will be. Parks and Recreation Jasmer stated we are working on that.

Councilmember Johnson asked about marketing plan. Parks and Recreation Jasmer stated that social media will be used in addition to newspaper ads, school flyers and utility bills stuffers.

Councilmember Miles asked if we should charge more for swimming. Parks and Recreation Director Jasmer said the open swim will be limited to a two-hour block and so more users may come at the same price.

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Councilmember Case asked if the fees are different for resident vs non-resident. City Administrator stated the difference is about 1/3 more for non-residents.

Councilmember Case asked if we compare our fees to other Community Centers. Parks and Recreation Director Jasmer stated that every center has different amenities so it is not a good comparison.

Councilmember Case stated we need to figure out a long-term solution to finance the capital needs. Perhaps the Community Center should be offered for sale to a private entity that could operate it at a profit.

Councilmember Theurer stated that we could have increased the levy to pay for capital needs at the Community Center, but the goal is always to keep the levy increase to zero. She doesn't think we can kick the can down the road any further.

Councilmember Case that we need to get more business and more residents to increase the tax base.

Councilmember Johnson agreed that we need to come up with financial strategies.

Mayor Etzler stated the budget is based on status quo for 2021. He said that we were not able to make a lot of program improvements that were planned in 2020 due to COVID 19 shut down. It is not a new impact to continue operating as we have. Any survey results state that residents need these amenities to want to move to a community.

Councilmember Miles stated the building is still solid.

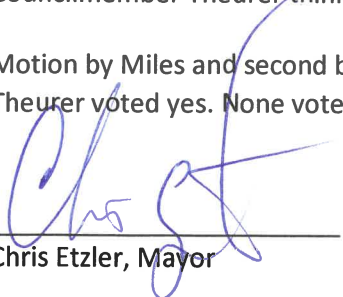
Councilmember Johnson asked if a financial plan could be completed so there is a strategy in place to follow. Parks and Recreation Director stated a plan can be put together, but it is hard to stick to the plan because partners change their minds.


City Administrator Nelsen stated that we need to look at developing partnerships to construct amenities people can see, not the behind the scene items that need to be replaced such as the air handler.

Motion by Murray second by Johnson to approve proposal to move to 24 hour key card access for members who pay; change the operating hours as presented and move to a fee based facility. Case, Etzler, Johnson, Miles, Murray and Theurer voted yes. None voted no. Motion passed.

Councilmember Theurer thinks it is well worth a try. We need to keep monitoring the success.

Motion by Miles and second by Murray to adjourn at 6:25 p.m. Case, Etzler, Johnson, Miles, Murray and Theurer voted yes. None voted no. Motion passed.


Chris Etzler, Mayor


Diane Archer, City Clerk