City Council Regular

Page 114 **Meeting Date:** 08/03/2020

Subject

Resolution approving Amendment Number 1 to the Agreement between the City of Indianola, Iowa and the Young Men's Christian Association of Greater Des Moines, Iowa.

Information

Roll call is in order.

Fiscal Impact

Attachments

YMCA Memorandum **Resolution Approving Amendment**



To: Mayor and City Council

From: Ryan J. Waller, City Manager

Date: July 29, 2020

Subject: YMCA 28E Agreement

The Indianola YMCA opened in August 2013 to serve residents of Indianola and Warren County. The Indianola YMCA facility is owned by the City of Indianola and operated by the YMCA of Greater Des Moines ("Association") under a joint agreement ("28 E Agreement").

In early 2019, the previous City Council provided direction to City Staff to work representatives from the Association following its request for an amendment to the 28E Agreement between the City and the Association to reduce the rent to \$70,000 annually.

As the Mayor and Council are aware, since that time representatives from the Association and City have been in discussions about the terms of the current agreement, as well as various maintenance needs of the facility. As a result of the discussions, a draft amendment to the 28E Agreement is being provided for the City Council's consideration.

The specifics of the proposed amendment include the following:

- 1. Beginning the start of the Association's fiscal year (September), the annual rent due to the City is \$70,000.
- 2. In order to qualify for the \$70,000 annual rent, the Association must meet specific performance targets, which include:

By January 1, 2021

- 1. By January 1, 2021, in collaboration with City of Indianola and the local Advisory Board, the YMCA will develop a 5-year annual capital expenditures/improvement plan. This plan, which will be updated annually as part of the budget process, will include those improvements under the responsibility of both the YMCA and the City as outlined in the 28E Agreement.
- 2. By January 1, 2021, the YMCA will present an action plan based on the learnings from the Mission Cost Analysis conducted in October 2019.



3. The YMCA CEO will provide the Advisory Board with local fundraising guidelines, including soliciting sponsorship agreements, by January 1, 2021.

Annually

- 4. The YMCA will meet the monthly equipment loan terms with Peoples Savings Bank of Indianola. The YMCA will retire the loan no later than April 2026 and provide an annual report on progress to the Advisory Board at the September Advisory Board meeting.
- 5. The YMCA will provide the City with an annual repairs and preventative maintenance plan by September 1 each year. All items on the plan shall be completed prior to the close of the YMCA fiscal year, or otherwise as mutually agreed upon by the YMCA and City.
- 6. The YMCA will provide the City with an annual report on the status of the facility's fitness equipment by no later than September 1 of each year. A cardio equipment fitness replacement plan will be included, as needed. All annual replacements shall be completed prior to the close of the YMCA fiscal year, or otherwise as mutually agreed upon by the YMCA and City.
- 7. The YMCA's CEO will provide a presentation to the Indianola City Council each September, or as determined by the City Manager. The presentation will communicate the benefit of the Indianola Y as a 501(c)(3) charitable organization to the greater community and provide a preliminary Indianola YMCA annual operating summary with key financial updates.
- 8. A senior member of the YMCA administration team will attend each advisory board meeting to:
 - Provide organizational updates.
 - Provide quarterly reporting on realized financial benefits of contracted physical therapy services.
 - Provide education on Association-wide charitable initiatives and their community impact on the local Indianola community including insight into overall program revenue and expenses.
- 9. The YMCA will provide weekly membership surveys and bi-annual audits to the Indianola Executive Director in order to ensure high-quality service delivery. The Advisory Board will be responsible to establish membership and program committees to review community feedback.
- The Association will coordinate and pay for snow and ice removal efforts at the Indianola YCMA facility.
 - a. It should be noted that this was a previous cost bore by the City at approximately \$30,000 annually.



Rebate to the City

If the Association fails to meet various targets, it will be required to reimburse the City \$13,000 for each item not completed.

3. Clarification of the definition of "pool". The section will now read:

"YMCA agrees to maintain at its own expense during the term of this agreement, a preventative maintenance program for all systems specified in the 28E agreement and within this amendment, including but not limited to, HVAC systems, elevators, plumbing, sewers, electrical systems, pool pumps and apparatus, fire suppression and sprinkler systems and other systems that require periodic maintenance to continue operating efficiency and warranty compliance. The City shall be responsible for end-of-life replacement of the HVAC systems, elevators, plumbing, sewers, electrical systems, pool pumps and apparatus, fire suppression and sprinkler systems and other systems once they are deemed as such by an industry expert such as a mechanical engineer."

The items provided for the City Council's consideration have been reviewed, discussed and supported by the local Advisory Board, which is comprised of community members, and Steering Committee, which is comprised of community members that also include representatives from the City Council, School District and Simpson College.



RESOLUTION 2020-

RESOLUTION APPROVING AMENDMENT NO. 1 TO AGREEMENT BETWEEN THE CITY OF INDIANOLA, IOWA AND THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER DES MOINES, IOWA

WHEREAS, the City of Indianola, Iowa (the "City") has previously approved, adopted and filed an agreement (the "Agreement") with the Young Men's Christian Association of Greater Des Moines, Iowa ("YMCA"), originally filed April 18, 2012; and

WHEREAS, the existing Agreement does not account for the impact of the Coronavirus Pandemic; and

WHEREAS, to mitigate these impacts the Agreement must be amended.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF INDIANOLA, IOWA:

Section 1. That Amendment No. 1 to the Agreement, attached hereto as Exhibit "A" is hereby approved.

Section 2. That the Mayor and City Clerk are hereby authorized and directed to execute said Amendment No. 1 on behalf of the City.

Section 3. That the City Clerk is hereby authorized and directed to file the executed Amendment No. 1 with the Secretary of State for recording with the Warren County Recorder.

	PASSED AND APPROVED this	day of	, 2020.
(SEAL)			
		Kelly B. Shaw, Mayor	
ATTEST	· ·		
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Andrew J. Lent, City Clerk/CFO

CERTIFICATE

STATE OF IOWA)				
) SS COUNTY OF WARREN)				
I, the undersigned City Clerk of Indianola, Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of said Municipality showing proceedings of the Council, and the same is a true and complete copy of the action taken by said Council with respect to said matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council (a copy of the face sheet of said agenda being attached hereto) pursuant to the local rules of the Council and the provisions of Chapter 21, Code of lowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by said law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.				
WITNESS my hand and the seal of said Municipality hereto affixed this day of, 2020.				
City Clerk,, Iowa				
(SEAL)				
(SEAL)				

AMENDMENT NO. 1 TO AGREEMENT PURSUANT TO CHAPTER 28E BETWEEN THE CITY OF INDIANOLA, IOWA AND THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF GREATER DES MOINES, IOWA

RECITALS:

WHEREAS, the parties hereto previously approved, adopted and filed an agreement (the "Agreement") by and between the City of Indianola, Iowa (the "City") and the Young Men's Christian Association of Greater Des Moines, Iowa ("YMCA"); and

WHEREAS, due to the impact of the Coronavirus Pandemic the parties hereto agree to amend the Agreement as set out below.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

<u>Section 1</u>. The Agreement is hereby amended as follows:

Annual Rent will be reduced to \$70,000 payable in monthly installments.

By January 1, 2021

- By January 1, 2021, in collaboration with City of Indianola and the local Advisory Board, the YMCA will develop a 5-year annual capital expenditures/improvement plan. This plan, which will be updated annually as part of the budget process, will include those improvements under the responsibility of both the YMCA and the City as outlined in the 28E Agreement.
- 2. By January 1, 2021, the YMCA will present an action plan based on the learnings from the Mission Cost Analysis conducted in October 2019.
- 3. The YMCA CEO will provide the Advisory Board with local fundraising guidelines, including soliciting sponsorship agreements, by January 1, 2021.

Annually

- 4. The YMCA will meet the monthly equipment loan terms with Peoples Savings Bank of Indianola. The YMCA will retire the loan no later than April 2026 and provide an annual report on progress to the Advisory Board at the September Advisory Board meeting.
- 5. The YMCA will provide the City with an annual repairs and preventative maintenance plan by September 1 each year. All items on the plan shall be completed prior to the close of the YMCA fiscal year, or otherwise as mutually agreed upon by the YMCA and City.
- 6. The YMCA will provide the City with an annual report on the status of the facility's fitness equipment by no later than September 1 of each year. A cardio equipment fitness replacement plan will be included, as needed. All annual replacements shall be

- completed prior to the close of the YMCA fiscal year, or otherwise as mutually agreed upon by the YMCA and City.
- 7. The YMCA's CEO will provide a presentation to the Indianola City Council each September, or as determined by the City Manager. The presentation will communicate the benefit of the Indianola Y as a 501(c)(3) charitable organization to the greater community and provide a preliminary Indianola YMCA annual operating summary with key financial updates.
- 8. A senior member of the YMCA administration team will attend each advisory board meeting to:
- Provide organizational updates.
- Provide quarterly reporting on realized financial benefits of contracted physical therapy services.
- Provide education on Association-wide charitable initiatives and their community impact on the local Indianola community including insight into overall program revenue and expenses.
- 9. The YMCA will provide weekly membership surveys and bi-annual audits to the Indianola Executive Director in order to ensure high-quality service delivery. The Advisory Board will be responsible to establish membership and program committees to review community feedback.
- 10. The Association will coordinate and pay for snow and ice removal efforts at the Indianola YCMA facility.

Rebate Schedule

The YMCA will successfully complete items 1 thru 3 by January 1, 2021. If this does not occur, the YMCA will be required to reimburse the City in the amount of \$13,000 for each item not completed. The timing of that reimbursement will be within the current YMCA fiscal year (September 1 to August 31st), but no later than August 31st of the applicable year.

The YMCA will provide an annual report to the City by October 1 each year documenting performance on items 5 thru 10. The YMCA will be required to reimburse the City of in the amount of \$13,000 for each item not completed. The timing of that reimbursement will be within the YMCA fiscal year, but no later than August 31st of the applicable year.

In the event of a dispute regarding the completion of the items, representatives of the City and the YMCA agree to attempt, in good faith, to negotiate a resolution. If after 30 days, the parties have not negotiated a resolution, then the parties agree to engage in mediation of the dispute with a mediator selected by mutual agreement. In the event mediation is unsuccessful, the parties may exercise their remaining rights under the 28E Agreement, including termination.

Section 9.C

<u>Section 1.</u> YMCA agrees to maintain at its own expense during the term of this agreement, a preventative maintenance program for all systems specified in the 28E agreement and within this

amendment, including but not limited to, HVAC systems, elevators, plumbing, sewers, electrical systems, pool pumps and apparatus, fire suppression and sprinkler systems and other systems that require periodic maintenance to continue operating efficiency and warranty compliance. The City shall be responsible for end-of-life replacement of the HVAC systems, elevators, plumbing, sewers, electrical systems, pool pumps and apparatus, fire suppression and sprinkler systems and other systems once they are deemed as such by an industry expert such as a mechanical engineer.

<u>Section 2</u>. Except as modified by Section One of this Amendment, the Agreement is in all respect confirmed and continued in force as originally adopted, approved, and recorded.

<u>Section 3</u>. Once executed by all parties, this Amendment shall be filed with the Secretary of State as required by law.

[SIGNATURE PAGE TO FOLLOW]

(SEAL) Mayor ATTEST: City Clerk STATE OF IOWA On this _____ day of ______, 2020, before me, a Notary Public in and for the State of Iowa, personally appeared ______ and _____, to me personally known, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the City of Indianola, Iowa, that the foregoing Amendment to 28E Agreement was signed by authority of the City; and the Mayor and the City Clerk, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said City by it and by them voluntarily executed.

Notary Public in for said County and State

YMCA OF GREATER DES MOINES name: Chair of Board name: President STATE OF IOWA) SS COUNTY OF POLK) On this _____ day of _____, 2020, before me, a Notary Public in and for the County and the State aforesaid, appeared _____ and ____, to me personally known, who, being by me duly sworn, did say that they are the Chair of the Board and President, respectively, of said corporation; that no seal has been procured by the said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said _____ and ____ as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, but it and by them voluntarily executed.

Notary Public in for said County and State