

**MINUTES OF THE
MINNETONKA PARK BOARD
June 1, 2005**

1. Roll Call

Park board members John Anderson, Bruce Gefvert, Tim Goodyear, Paul Lehman, Freinde Mills and Cathy Rude were present. Attending staff included Geralyn Barone, Dave Johnson, Mike Pavelka, Craig Sinclair, Perry Vetter and Sara Woeste.

Chair Lehman called the meeting to order at 7:00 p.m.

2. Approval of Minutes- April 6, 2005

Gefvert moved and Goodyear seconded a motion to approve the Minutes of April 6, 2005 as submitted. All voted "Yes". Motion carried.

3. Citizens Wishing to Discuss Items Not on the Agenda

None.

4. Business Items

A. Review of Williston Fitness Center Operations

Staff provided a tour of the Williston Fitness Center. Johnson presented an overview of the information included in the staff report. He noted that nationally expectations for a municipal recreational facility are that operational expenses are covered 75% – 90% by revenues. The Williston Fitness Center has covered 110% of its' operational and capital expenses since 2000.

Johnson introduced Sara Woeste, the Assistant Manager for the Williston Fitness Center.

Woeste presented a PowerPoint presentation and provided general information on the facility memberships. She noted that since acquiring the facility in 1995, memberships have increased 80% to a high of 1,781 in 2003. She noted that in 2004 memberships decreased slightly to 1,706. It is expected that membership sales in 2005 will be around 1,700 - 1,800.

Rude questioned why a significant increase occurred from 1,358 in 2002 to 1,781 in 2004. Pavelka indicated that there was no clear explanation, but surmised that the economy and an increase in rates for 2004 may have caused members to purchase earlier than usual.

Woeste reviewed the various membership rates available and noted that annual memberships were the best deal cost-wise and accounted for 45% of the total sold. She also noted that adults account for 31% of all memberships, followed by families (25%), dual members (19%) and senior single memberships (16%). Senior dual and student memberships are also available, but made up only 9% of all memberships.

Woeste explained that memberships provide the user full use of the facility. She added that unlike many health clubs, Williston generally makes at least a portion of the pool available for use at any time. She noted that only use of the tennis courts and batting cages require members to pay an additional cost.

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Woeste summarized by noting that membership packages account for two-thirds of the revenue generated by the facility. She added that in 2004, a total of 11,500 daily passes were sold and generated \$56,500. Woeste stated that she feels the friendly atmosphere at the center makes for a comfortable and inviting facility to the members.

Pavelka reviewed the financial operations of the Williston Fitness Center and noted the facility exceeds expenditures with revenues annually. Pavelka displayed a chart showing revenues exceeding expenditures by a total of \$214,471 from 2002 to 2004. He noted there were two planned improvements upcoming including replacement of the gym floor with new multi-purpose surfaces, and the placement of decorative brick on the north side of the tennis building.

Pavelka stated that \$15,000 is budgeted each year out of operations and placed into an escrow fund for future improvements to the facility. He noted that the current balance is approximately \$92,000.

Woeste provided an overview of the programs held at the Williston Fitness Center. She noted that programs are provided both by the facility, as well as community based programs provided through Recreation Services. In addition, she explained that programs such as land/water aerobics and tennis lessons are provided to both members and the general public. Woeste explained other types of programs offered to the community are "monthly" programs such as, the Williston Fitness Center Teen Program and Community Swim.

Lehman asked if participants in programs sponsored by the Recreation Services pay an extra rate for use of the facility. Woeste explained that they do not, and explained that a class list is provided to the front desk to allow program participants to enter at no additional charge. Woeste noted that programs such as water arthritis classes are well attended by people who prefer to sign up for the class rather than pay the rate.

Anderson asked if participants in programs such as First Aid, CPR and Life Guarding actually received their certification. Woeste responded that they do, adding that other organizations have also reserved the facility to provide similar programs.

Woeste reviewed existing partnerships in place at the Williston Fitness Center including tennis programs through PAT's Tennis and the business space rental to Nova Care physical therapy. She added that, until recently, the city also had an agreement with Baseball USA to provide programming and this agreement was terminated on good terms because Baseball USA outgrew the available space and moved into a new facility.

Woeste anticipates the new gym surface will make it desirable for new types of programming such as volleyball.

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Goodyear asked what the estimated loss of revenue will be as a result of Baseball USA canceling their agreement. Pavelka estimated the amount to be \$35,000 to \$40,000 annually.

Pavelka provided an overview of challenges facing the Williston Fitness Center in the future. He noted that staff has prepared a 15-year CIP that estimates \$3.9 million in improvements needed over that period. Pavelka detailed the major items in need of renovation include the pool liner, locker rooms, tennis roofing and fitness equipment. He also noted that challenges in maintaining an aging building, along with layout and cosmetic limitations add to the difficulties.

Mills asked if the tennis building was heated for winter use. Pavelka responded that it was, noting that dehumidification of both the tennis and pool buildings was a common request of facility users.

Pavelka noted that achieving balance between program space needs and membership use was a delicate one. He noted that as school districts continue to increase their needs for district space, the city has become more reliant on providing city space for program needs.

Pavelka indicated that growth limitations were also a challenge facing the Williston Fitness Center. He reported that at the time of renovation, the locker rooms were designed to accommodate 1,500 people, 200 less than current membership totals. Other growth related limitations include not having lower level restrooms, operating with only a single gymnasium, and the lack of a walking/running track.

Pavelka closed by noting that currently there are no competing interests that can provide comparable amenities at the price of the Williston Fitness Center. He added however that in the future, that could possibly change.

Rude asked when the Williston Fitness Center was first constructed. Pavelka responded that the tennis building was built in 1969 and the pool facility in 1971. Gefvert asked if the cost of insurance was a major expense. Johnson explained how the city and all facilities are covered under the League of Minnesota Cities Insurance Trust, along with an explanation of the State's recreational immunity laws that place the burden of risk on the participant in most cases.

Gefvert followed with his observation that the membership rates for Williston may be too low and compared the situation to that of slip rates at the Gray's Bay Marina. Johnson responded that rates are reviewed on an annual basis. Pavelka noted that rates were increased 10% in 2004 and would be reviewed again in 2006.

Goodyear asked if any of the membership packages for Williston included use of the Lindbergh Center. Johnson indicated they did not and explained that the Lindbergh Center has membership packages that are very inexpensive due to the restricted hours and amenities available. He added that the amenities of the two facilities complimented each other well with very little duplication.

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Anderson asked about specialized classes such as scuba diving offered in the pool. Woeste indicated that classes were offered in the past but no longer, due to concerns raised by members regarding pool availability.

Mills asked if Williston rates were ever advertised in the Minnetonka Memo. Woeste replied that they are advertised about once or twice a year.

No further action was taken on this item.

B. Consideration of long term park capital projections

Sinclair introduced the item and distributed 30-year park plan summaries in two different formats. The first was a listing by individual parks that included descriptions of the improvements along with the anticipated life expectancy of each amenity. The second format included a matrix of combined park improvement costs by year from 2010 – 2040. Sinclair explained that improvements prior to 2010 are included in the 2006-2010 CIP.

Vetter explained that the cost matrix included a wide range of anticipated costs by year ranging from \$4,650 to \$631,400. Vetter noted that peaks in cost occur approximately every seven years due to the park renewal schedule that is projected to be a 7-year program. Vetter distributed a bar graph that illustrated this point.

Sinclair asked for any park board member questions.

Rude noted that parking lot resurfacing was not indicated as an item on the cost matrix and questioned if it should be. Barone agreed and asked that it be added to the schedule.

Anderson questioned if natural resources management cost should be included. Sinclair noted that this program was funded through the park dedication fund and managed by the city forester. Sinclair indicated that he would incorporate these costs into the 30-year cost matrix.

Barone asked if additional parks would be added to the summary once they complete the park renewal process. Sinclair indicated they would.

Lehman suggested the development of cost averages for the various park categories such as special use, neighborhood, preserve and community parks. Sinclair noted that once all information is collected, average costs would be easy to prepare.

Mills asked if warminghouse improvements should be added. Sinclair agreed. He noted that HVAC improvements are funded through the buildings division but not structural costs.

Hearing no further requests, Lehman asked what the next steps would be. Barone suggested that staff bring these documents back annually during the CIP review. Barone asked if the replacement year could be added to the cost projection matrix. Sinclair indicated that it could be.

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Goodyear closed by indicating the summary page will be a valuable tool in the years to come.

5. Park Board Member Reports

Gefvert noted that he visited several of his assigned parks on Memorial Day and was surprised by the low amount of use. He added that Lone Lake Park attendance seems to be considerably lower due to the unavailability of the disc golf course.

Mills asked when the Boulder Creek ice rinks construction will be completed. Vetter indicated by late fall, in time for the skating season.

Anderson asked if plans included taking down the hockey dasher boards at McKenzie Park. Vetter responded that while the boards are portable, the intent was to keep them up year round for other programs such as in-line skating.

Anderson voiced concern over the parking situation at McKenzie Park. He noted that prior to construction, cars parked parallel and now they park diagonally. He noted that his concern was that children could run out into the street with less time for drivers to notice. He asked if either a warning sign or parking striping could be added.

6. Information Items

Vetter reported the Boulder Creek Park Renewal bids will be going to council on June 13 for consideration.

Gefvert inquired about the work being done at Kinsel Park. Sinclair reported that the work was part of a watershed district project.

7. Upcoming Park Board Agenda Items

No changes to report.

8. Adjournment

Gefvert moved and Goodyear seconded a motion to adjourn the meeting at 9:15 p.m. All voted "Yes". Motion carried.