

Chaska Park Board
Meeting Minutes
November 9th, 2020
Chaska Event Center and Zoom

1. Call to Order

The November 9th meeting of the Chaska Park Board was called to order by Chair Dave Roan at 7:00 pm at the Chaska Event Center and via Zoom

2. Roll Call

Present at Event Center: Dave Roan, Matt Udermann, Dave Downs, Georgiann Keyport, Josh Ives

Via Zoom: Elizabeth Wyveen, Zac Saueressig

Absent: Ernesto Ruiz Gutierrez, Jason Branch

Staff: Marshall Grange, Mary Monteith, Kevin Wright (assisted with IS needs)

Via Zoom:

Cynthia Anderson, Carver County Arts Consortium President

Steve Kelzer, Visitor for Arts Consortium presentation, address: 2025 Pioneer Trail, Chaska

3. Adopt Agenda

Motion by Udermann, second by Downs to adopt the November 9thth, 2020 meeting agenda.

Roll call for approval of Agenda.

4. Visitor Presentation

None

5. Approve Previous Meeting Minutes

Motion by Downs, second Udermann to approve the Chaska Park Board meeting minutes of October 12th, 2020. Motion carried.

Roll call for approval of Minutes.

6. Receive Council and Planning Meeting Minutes

Downs commented that he was happy to see that Council approved moving forward with the Lake Grace underpass project. He also commented on the tot lot discussion from last month on the

Pioneer Vista/Lennar development. He did not see anything mentioned in the planning minutes on it. Downs, do we want to talk on changing that, or is that more of a townhome type amenity? Grange shared that the planning commission established that they were not going to require a tot lot for this development, so no further discussion.

6A. Receive September 14th Council Minutes

6B. Receive September 21st Council Minutes

6C. Receive October 5th Council Minutes

6D. Receive October 19th Council Minutes

6E. Receive September 9th Planning Minutes

Director Grange extended CONGRATULATIONS to Udermann on winning the county seat. We look forward to partnering with you on Chaska projects.

Grange also extended a sincere thank you to those who expressed condolences for Karen Campbell who recently passed away. Karen was a co-worker of ours who worked with the AOA's in the Lodge, she left us way too early. A very difficult time for our staff to navigate, she meant so much to us in a variety of ways. A big loss for us and the entire community. She was involved in so many local organizations. She will be missed. Thank you for the support.

7. Action Items

7A. Arts Consortium Letter of Intent

Grange shared the Letter of Intent visually on the screen, he recognized that a page was missing in the packet. Grange ran through the document and explained it, then turned it over to the board for questions. This will be a basis to start this partnership. He shared that this document is not a legally binding document but laying out how we see this partnership working. The feedback provided by the board, and Cindy Anderson and her board, will help move this on to the council. We will present to the council for approval November 16th. Then we start moving towards the lease and a more long-term partnership.

Grange provided some of the background and history of the Arts Consortium, how they started in 2009 and how they progressed over the years with events and expanded programming. Fast forward to today, and their approaching us for space for an art center. Relocating here will provide more visibility for them, and on our end, it is an opportunity to maximize our space that we already have specific to the arts and building off that which they offer.

Grange thinks about this partnership from 2 perspectives, one is a lease agreement that provides them more of a dedicated space in the facility, the "cafeteria" space, the adjacent storage behind it, and the art gallery. The City would get up to 12 weeks a year for gallery displays of our choice in partnership with them. This also factures in up to 24 hours per year for them to use our conference room space for their board meetings. It also recognizes any other facility space outside of these mentioned or outside of partner programs, that they would need

to rent those other areas. Their intent for the cafeteria space is to house the retail store that would feature and display the artist's work that would be for sale.

As far as the rent goes, we have established a base monthly amount of \$750 for year one. We also considered the typical common area costs and factoring in revenue potential that we would normally have gotten from the vending that was in that space previously, which we relocated elsewhere in the building. We proposed a 3% increase each year, over a 3-year timeframe.

We also built in an incentive to the partnership where Lessee will calculate 50% of their Net Sales each month. Lessee shall pay Lessor the greater amount of either the monthly 50% Net Sales or the scheduled lease payment as set forth in the Lease Agreement. When we talk of Net Sales, we are talking of any sales within the retail space, the art gallery pieces, on-line pieces and any partnered programming on City property. We would reevaluate the lease after 3 years.

The second part to this would be around the programming partnership. There are a variety of things that could be done in the other multi use spaces in the building, in the parks, the Event Center, etc. Cindy and her staff will be coming together monthly with our staff to share ideas on programming in these other spaces. This part would spell out what each entity would provide as part of that planning process.

The financial piece on this programming part would be splitting all registered events at 50%. Really the goal with this, is equal value to what each is bringing to the table, to be fair. Not one coming out ahead of the other. We will assess over time and factor in different expenses.

Grange opened things for discussion, and questions from the Park Board. If comfortable with things, you would make a recommendation tonight to take to the City Council on the 16th. If approved, we would work on the formal lease agreement and the MOU to present to Council in December. Then the lease agreement would commence Jan 1st, 2021, the MOU would be effective immediately. There is a ton of opportunity here. They currently are a renter in our cafeteria space, where their holiday market is open to the public. It is nice to see how this partnership could work and potentially grow. Grange encouraged folks to check it out. They have some cool gift ideas.

Anderson, I have been working extensively with Parks staff on various pieces of this partnership and moving forward. I am open to any questions?

Ives question to Anderson, art can be kind of controversial, I did not see anything here to deal with that scenario, editorial control? Should that be in the MOU, or the lease to protect the City? Some sort of implied endorsement? Anderson, good question, one thing we already do is when we have an exhibition, we jury it with our members. We do not allow nudes, murder scenes, it must be acceptable to all people. If things do not go with our mission statement, we are not interested.

Downs, questions on Net Sales. What is the definition? Is it Net Sales or Net Profits? You referenced Net Sales as everything that is sold, which is every dollar that comes in. Should reflect sales less expenses? Net sales, is it applicable to Net after the artist gets their commission and the payment has been made to them? Yes. Better define what the definition of Net Sales is.

Downs, the programming part, do they currently have programs? Are they bringing some to the table? Anderson, yes, we have offered painting classes, photography classes, music events, we are excited for the opportunity to have concerts as well as our literary events in your theater. This year we have not held any events since early March due to Covid. We do plan on continuing with those offerings and more.

Udermann, this is a great partnership. He hates contracts, but first off, the arts go hand in hand with mental health, this could be a good way to help address those concerns. From the business side, he would suggest using gross sales vs. net sales, take 6% off gross sales. The 2nd thing, co-marketing is very important, what if people just want to come in for the art store? Do they have to pay an admission? Address that. What about a non-member, would have to pay to get into the retail space? He wants a lot of classes, spell out a target number, so we know if we are doing what we said we would do. Lastly, January is the hardest month for retail, give them a free month upon the New Year.

Keyport, their programs, has the City said a minimum number of programs they would offer? Do you have a target number? At this point no, we have not yet identified that. Especially during these times. It is hard to put a number/value on that. MG good to have goals/targets but may need some time to define that. How are we measuring things? May need some time to get to know each other. Downs, does not need to be a part of this document, but nice to spell that out somewhere, where they will start from and where they will head. Put out some expectations, the depth and scope of that. People will get excited about this. Roan, good to have general business discussions, good to talk through, but also hard in these times to project some things. The goal is the programs and bringing people in. Downs, if we do a good job, the numbers will follow. Ives, the gallery, having access to it when opportunities come up, those 12 weeks. Is that enough time? Grange, yes, we also want some flexibility for things that may come our way.

Anderson, we have a meeting tomorrow with your programmers, hoping to plan out a year, but still have some flexibility for opportunities that may come up.

Roan, a great opportunity to utilize space that has not been used well before in the past. This is a huge opportunity. We could look back on this and say this is the best thing we could have done for the arts community!

Motion to Recommend to the Chaska City Council the Approval of the Letter of Intent and the Partnership between the City of Chaska and the Arts Consortium of Carver County.

Motion by Keyport, 2nd by Ives

Roan roll call of board

7B. Carver Recreation Agreement

Grange explained that this agreement was established in 2015, a five-year agreement with the City of Carver now up for renewal. It provided their residents with the opportunity to utilize our recreation services, and events across the City, including the Community Center and the Town Course at Chaska resident rates. The agreement also included staff planning and executing programming and events for their residents in Carver.

When done 5 years ago, the pricing was reasonable for an all-inclusive partnership value. For the last 3 years, we have received \$51,250 per year from Carver. Grange wanted to dig deeper into this fee structure to better define the true value Carver residents were getting. The past agreement did not consider the actual value of what they were receiving across the various opportunities they have been offered. They could benefit at the Community Center member rate, the member programming rate, the Town Course resident rate, as well as the Curling Center member rate. He calculated the true value of what that all was, including some staff time. When City staff had discussions with Carver's City Administrator Brent Marek, this true value was presented. Marek agreed that should be accounted for moving forward, however, we also recognized we are dealing with COVID. As we look to the next year, with the potential for lower facility usage they still are willing to work within this partnership. This attests to the partnership with them. We agreed to do a 3-year contract, we will get through COVID and then reassess.

Carver will pay \$66,611 for 2021, built in is a 4% increase for facility and programming usage, and a 3.5% increase in staffing costs to provide the programming. Then moving into 2022/2023 will be similar. We feel good about this agreement, and a good working partnership.

Carver recently surveyed their residents leading up to these discussions, to better understand the value their residents see in this partnership, all the feedback they received was great. We will continue on-going to get feedback from their residents as well as Carver staff.

Udermann asked if the formula took into account the population growth projections for Carver? Grange said no. Udermann expressed concerns on the minimal increase for them, it seems too small. Chaska residents had a 10% tax increase last year, this does not seem fair. Carver also should be contributing to the longer-term facility needs as well. Conversations should continue as this moves forward.

Roan still feels comfortable with what we are voting on tonight. Saueressig, we can reevaluate or cancel the contract at a later point if we are not in agreement, with a 120-day notice.

Motion to the Council to approve the MOU for Recreation Services between the City of Chaska and City of Carver.

Motion by Downs, 2nd by Keyport

Roan did roll call of board

8. Discussion Items:

8A Lake Grace Trail Update

We had a meeting last week with public works staff, the city engineer as well as Stantec for discussion on this project. Jung secured a contractor to remove the massive cottonwood tree on site along with some other brush and wood retaining walls. Excavating to start in early December. We also are working with Stantec to put together the bid package for the construction of the bridge. It should be going out shortly, we will award the bid by the end of the year. There will be an 8/10-week lead time to construct the bridge, will be weather dependent. We are hoping for installation by June or July. Things are coming along, will bring updates as they happen.

8B CCC Member Rates

Grange shared that this all ties into the budget process. The Curling budget will go to Council on Nov. 16th, the CCC budget will go on Nov. 30th, you can learn more about those budgets per those council meetings.

We are however proposing some new things surrounding our membership rates. Grange shared a comparison of other like facilities in the metro area and their rates. The top of this sheet is a month-to-month billing membership comparison, the bottom is an annual pre-paid membership comparison. He also pointed out the various categories of membership types. You can see the current rates as well as the proposed new rates for next year.

This rate change was building off some of what was proposed to Council already last year. Even pre-Covid, we saw gaps in our revenues vs. operating expenses. We also recognized that we are really low compared to other community center fees in the area. Last year, a plan was put into place to increase rates as part of a phased 5-year plan. At that time we did a 4% increase, this year we would go with a 7% increase over the next 3 years, and then the 5th year would have a 3% increase. This was to help get us closer to the other community center averages and help with the gap in revenue.

With proposing the 2021 budget and talking with finance the thought was to continue with this 5-year plan despite COVID as to not make things worse moving forward.

Proposed areas of change:

Implementation of a Dual Membership-A two-person household can now get the dual package vs. having to go with a family membership. This will be a more affordable option. We would forgo the youth single rate.

We also would get rid of the AOA single membership, for those 55+. We will go to a more traditional senior single membership for those 62+. We also will keep the Silver Sneakers and Silver and Fit options.

We will be changing our member cancellation policy that is month to month, we are adding an administration cancellation fee of \$25.

Discussion on resident vs. non-resident rates. Tax payors should have a discount on rates.

We also will be introducing a new feature, a 10-time punch pass. Think of it like a 30-day trial to check us out.

Discussion:

Are we still offering a discount for those who do not live in Chaska but work here? Yes, we do.

Udermann-What about a distress rate, if they cannot afford now, how will they in 2021?

Saueressig-feels like rates were lowered at one point in the past to increase memberships when he moved here?

Value of annual vs month to month. No admin fee, an annual offers one free month.

Roan, this is like trying to run a business...over the years we have offered a good product.

Downs-Budget wise a shortfall, if we increase things, we will not cut some services would we?

Grange-currently we are offering 40 some fitness classes per week, we have already evaluated and cut some of those classes.

Good to hear your feedback and thoughts. Ives, if we increase these prices and lose people, remember it is tough to get customers back.

Downs pre COVID-19, we were running out of space, post COVID-19 numbers will come back, but we will be out of space. Guessing we still will be at capacity. Certain parts of the facility yes, that could happen.

Grange-We need to start thinking, what the CCC could look like for the next 30 years, post COVID-19? We will be engaging our community for feedback to help with that. Changes made to stay current with things. What does that look like? We will start working on a Masterplan early next year.

8C. 2021 Park Board Meeting Date Change

Grange, wanted to just loop back to this proposed meeting date change. We were able to connect with Gutierrez on the proposal and he was fine with it. So, it will go to Council next week. We would start January 2021.

8D. 2021 Park Board Chair and Vice-Chair Positions

Dave Roan's term is complete at the end of the year, discussion was held on the next Chair and Vice Chair positions. We will have this on the December agenda. If you have an interest, reach out to Roan to let him know and ask any questions. We will need to nominate and recommend to Council in January.

9 Other Business

9A. Board Round Table

Wyveen-noticed the former Par 30, now called the Loop, construction well under way, fun to watch the new course being developed. During quarantine staff put together packets for kids, (take and make) could you consider doing again? MG will mention to staff.

Saueressig-been back to the pool, enjoy being there with the kids. Has not been as slippery as earlier fall. Love the super bright lights in there.

Udermann-I miss Karen L's hugs. I believe she was a victim of COVID-19, as she died of a broken heart of not seeing her AOA's. She has been the face of the Community Center for a long time, we need to honor her. Congrats to staff on a successful Trail of Fun at Community Park. Shout out to Sean Olson for his service here with the park board. Congrats on school board win.

Downs-none

Keyport-Revised website, nicely incorporated the park board.

Ives-I have not appreciated the trails system as much as I did in the last week with the great weather. Point is, with all that is happening, we can be outside having fun. Biked with my family to Riverside Park in Carver, it was great.

Roan-echo a few things, congrats Sean Olson on school board win, and congrats to Matt Udermann for Carver County Commissioner win. Roan also offered condolences with the passing of Karen Campbell and to all her friends.

10. Adjourn

Motion to adjourn by Udermann, 2nd by Ives

Roll call of members.