



Request for City Council Committee Action from the Department of

Date: November 13, 2014

To: Blong Yang, Chair, Public Safety/ Civil Rights/ and Emergency Management Committee

Referral to: John Quincy, Chair, Ways and Means Committee
City Council

Subject: Contract with Life Time Fitness for Health Club Memberships, Fitness Services, and Facility Use

Recommendation:

To execute a three year contract with Life Time Fitness for Health Club memberships, Fitness Services, and Facility Use in response to the RFP issued on September 25, 2014. This will retain Life Time Fitness as the current health club provider for 774 Police Officers and Firefighters. Contract's annual cost for health club memberships and facility use will be about \$389,934. Contract costs for fitness services for 1:1 Personal Training is \$39.50 per session and \$87.50 for a group session. This programming will be coordinated as needed and able within the MPD allocated budget.

Previous Directives:

8/29/2014 – Council approved proper City employees be authorized to issue a new Request For Proposals for health club memberships, fitness and wellness services and facility use for the City of Minneapolis Police and Fire Departments and the Minneapolis Park and Recreation Board Police Department as required by Labor Agreement between the Minneapolis Park & Recreation Board and The Police Officers' Federation of Minneapolis; the Labor Agreement between City of Minneapolis & the International Association of Fire Fighters, Local No. 82, and the Labor Agreement between the City of Minneapolis & the Police Officers' Federation of Minneapolis.

12/10/2010 – Council approved fitness agreement contract between the City Police, Fire and Park Board Police and Life Time Fitness.

8/14/2009 – Council approved amendment #2 with Life Time Fitness to extend the existing contract for additional year through 2010

5/2/2009 – Council approved issuance of a new RFP for health club membership services

4/24/2009 – Council approved amendment #1 with Life Time Fitness to change the billing period from semi-annual to quarterly and increase amount to cover previously agreed upon rates.

4/29/2005 – Council approved fitness agreement contract between the Minneapolis Police Department and Northwest Athletic Club

1/28/2005 – Issue Request for Proposals for primary facility for four-year period; and execute contract extension with Northwest Athletic Club to continue providing membership services through May 1, 2005

Department Information

Prepared by: Jennifer Rudlong-Smith, Health and Wellness Coordinator, Minneapolis Police Department, 673-2978
Approved by: Robin McPherson, Finance Director, Minneapolis Police Department 673-3696
Presenters in Committee: Melanie Rucker Deputy Chief of Personnel Minneapolis Fire Department 673-2688; Luke Scardigli Finance Director, Minneapolis Fire Department 673-2041, Jennifer Rudlong-Smith, Health and Wellness Coordinator, Minneapolis Police Department 673-2978

Reviews

- Permanent Review Committee (PRC): Approval X Date 7/17/2014
- Civil Rights Approval Approval X Date 7/25/2014

Financial Impact *(delete all lines not applicable to your request)*

- No financial impact
- Action is within the Business Plans for Police, Fire, and Minneapolis Park Board Police Departments

Community Impact

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

Supporting Information

Consultants that submitted proposals: Life Time Fitness, YMCA/ YWCA submitted a joint proposal, and Anytime Fitness

Life Time Fitness is the preferred club of the Minneapolis Police Department, Minneapolis Fire Department, Minneapolis Park Board Police Department, Police Officer Federation, and Firefighters Local 82 for health club memberships and is the preferred club of the Minneapolis Police Department for fitness services.

Total contract cost for memberships and facility use with Life Time Fitness is about \$1,169,802. Total contract cost for memberships and facility use with the YMCA/YWCA is about \$1,169,878. Also, it would cost the City about \$9,750 in administrative salaries to facilitate the transition of 774 employees from Life Time Fitness to the YMCA/ YWCA. Therefore, the difference is about \$9,826 over 3 years, with the YMCA/ YWCA having the higher cost.

Life Time Fitness is the current vendor for health club memberships. Presently 774 Minneapolis Police, Fire, and Park Board Police sworn employees are members of Life Time Fitness under the current contract. Another 375 members of Life Time Fitness are enrolled at a discounted rate that is only offered to City of Minneapolis employees and family members.

Life Time Fitness exceeds the desired amenities requested in the scope of services. They have 24/7 facilities, running tracks, cardio and weight training equipment, swimming pools, child care, and multiple metro locations. Usage analysis shows that 20% of the members on the current City contract use the club between the hours of 11pm and 5am.

Life Time Fitness proposed a single membership rate of \$43.50 per sworn member under the City contract per month. They proposed a rate of \$59.95 for a single membership for civilian memberships under an independent contract. They proposed to absorb the cost of renting the University of Minnesota Field house as needed. This facility space meets the needs for MPD and Park Police fitness testing. We expect to host 27 events over the 3 years of the contract. Therefore it would \$0 for hosting pre placement fitness/ new recruit testing over the next 3 years.

Life Time Fitness proposed fitness services for the Minneapolis Police Department. They are offering their programs for 50% off the general public cost. For example 1:1 personal training's proposed pricing is \$39.50 per session and group training's proposed pricing is \$87.50 per session. The Minneapolis Police Department has allocated \$30,000 in their 2015 budget for this programming. Life time Fitness is also offering 50% off fitness services to any City of Minneapolis employee who is a Life Time Fitness member, under their independent contract.

The YMCA/ YWCA meets the amenities requested in the scope of services. They have running tracks, cardio and weight training equipment, swimming pools, child care, and multiple metro locations. They do not offer any facilities that are open 24/7.

The YMCA/YWCA proposed a single membership rate of \$40.00 per member per month with a 4% annual increase. This rate applies to sworn employees on the City contract, and to civilian employees with an independent contract. They are offering a facility space that meets the needs for MPD and Park Police fitness testing. The proposed fee for this space is about \$1,874 per event. We are expecting to host about 27 events over the next 3 years. Therefore it would be \$50,598 for hosting pre placement fitness/ new recruit testing over the next 3 years

YMCA/ YWCA proposed fitness services for the Minneapolis Police Department. They are offering 1:1 personal training for \$55 per session and group training for \$75 per session. They are not offering discounted rates for all City of Minneapolis employees.

Anytime Fitness fell short on the desired scope for health club amenities, fitness services and also proposed a higher price point for health club memberships than the YMCA/ YWCA. Therefore, Anytime Fitness was removed from the list of qualified Consultants.

Contract between City of Minneapolis Police, Fire, and Minneapolis Park Board Police Departments and Life Time Fitness providing health club membership to sworn employees and facility space for department assessments expires on 12/31/2014. The current contract's annual cost is about \$411,000.

Beginning in 2013 the MPD, Park Police, and MFD require that employees attend the health club an average of 6 times per month per quarter. This usage requirement has been enforced by the respective departments and the total number of memberships has been reduced by about 25%.

The Labor Agreement between The Minneapolis Park & Recreation Board and The Police Officers' Federation of Minneapolis states:

- *Section 17.1 – Eligibility, All police officers are eligible for a single membership at the facility selected by the Employer. The club membership dues for all eligible employees shall be paid by the MPRB.*

The Labor Agreement between City of Minneapolis & the International Association of Fire Fighters, Local No. 82 states:

- *Section 22.1 – Eligibility, All bargaining unit employees, except those whose eligibility is revoked, are eligible for a single membership at the facility selected pursuant to the terms of this Article. The club membership dues for all eligible employees shall be paid by the Employer; Subd. 1. General Evaluation Protocol, All employees will complete a fitness evaluation every two (2) years*
- *Section 22.4 - Health Club Memberships Subd. 6. Selection of Primary Facility The Primary Facility shall be one that is mutually agreeable to the City and the Union. In order to control its costs, the City may solicit bids or proposals from potential providers of the Primary Facility upon first obtaining the Union's approval as to the specifications of the solicitation for bids or the request for proposals, however, the selection of the successful bid/proposal shall be made jointly by the City and the Union.*

The Labor Agreement between City of Minneapolis & the Police Officers' Federation of Minneapolis states:

- *Section 23.1 Fitness Testing Subd., (i) Fitness Improvement Assistance. The Department will make a variety of resources available to employees who seek assistance in improving and maintaining their level of fitness.*
- *Section 23.2 - Health Club Memberships and GXT Test. Subd. (a) Eligibility. All police officers of the City are eligible for a single membership at the facility selected pursuant to the terms of this Agreement (the "Primary Facility") and an annual voluntary GXT Test or other preventative medical test mutually agreed upon by the parties (the "Annual Test").*
- *Section 23.2 - Subd. (g) Selection of Primary Facility. The Primary Facility shall be one that is mutually agreeable to the City and the Federation. In order to control its costs, the City may solicit bids or proposals from potential providers of the Primary Facility upon first obtaining the Federation's approval as to the specifications of the solicitation for bids or the request for proposals, however, the selection of the successful bid/proposal shall be made jointly by the City and the Federation.*