

**CITY OF PLYMOUTH  
AGENDA  
SPECIAL COUNCIL MEETING  
APRIL 8, 2014, 5:30 p.m.  
MEDICINE LAKE CONFERENCE ROOM**

**1. CALL TO ORDER**

**2. TOPICS**

- A. Discuss Plymouth Ice Center Training Facility Project and Consider Advertisement for Bid (40021)

**3. ADJOURN**

**SPECIAL  
COUNCIL MEETING**

**April 8, 2014**

**To:** Dave Callister, City Manager

**Prepared by:** Diane Evans, Director of Parks and Recreation

**Reviewed by:**

**Item:** **Discuss Plymouth Ice Center Training Facility Project  
and Consider Advertisement for Bid (40021)**

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**1. ACTION REQUESTED:**

Discuss the Plymouth Ice Center Training Facility Project, PRK40021, and consider authorization for the advertisement of bids.

**2. BACKGROUND:**

The proposed project would be a public-private partnership between Acceleration Minnesota NW (Acceleration), Wayzata Youth Hockey Association (WYHA) and the City of Plymouth to construct a 7,500 square foot addition onto the Plymouth Ice Center (PIC) for dry land training. The City will enter into a binding financial contract and/or lease agreement with each of the partners to help subsidize the project. Acceleration will advance \$67,500 (on their first full year lease payment) prior to construction and provide an additional nine years of lease payments for a total of \$773,811. WYHA will contribute \$100,000 prior to construction and five yearly contributions, for a total financial investment of \$528,000. WYHA is committed to contributing 40% of the overall project cost.

The City will lease the training facility to Acceleration, a Plymouth company for over 20 years. Acceleration will operate the facility and provide athletic training and skill development for all sports programs (soccer, baseball, basketball, football, hockey, etc). Components of their training program include plyometrics (ground based speed work), strength training, and use of specialized treadmill equipment. Currently, the City is in the process of negotiating the 10-year lease agreement with Acceleration for the management and operation of the training area. The agreement will include the advance of their first year lease contribution and annual lease rates thereafter of \$9.27 per square foot with a 3% inflator. As part of the agreement, Acceleration will be responsible for real-estate taxes, utilities and general cleaning and maintenance of the facility.

WYHA believes that training and development are the key ingredients for successful hockey players as well as all athletes, which is why they are supporting the project and will continue to financially support and utilize the PIC as its home ice facility and future dry land training area. The City is in the process of negotiating an agreement that outlines their financial commitment.

The Memorandums of Understanding, which were utilized for the Hennepin County Youth Sport Grant, are provided as attachments to this report. The official agreements for Acceleration and WYHA will be completed and submitted to the City Council in coordination with the authorization to accept bids and proceed with the project.

The original project cost was estimated at \$1 million for 7,220 square feet of space (\$138.50 per sq. ft.). With the completion of the initial construction documents, the engineer's cost estimate for the project is \$1,045,000 for 7,500 square feet (\$139.33 per sq. ft.). In conjunction with the construction documents, soil borings for the site were completed. Unfortunately, the soil conditions are very poor and cannot sustain a building structure without modifications. As a result, the budget for the project has increased approximately \$272,000 to an overall project budget of \$1,320,000. The revised estimate includes utilizing helical piers, concrete grade beams and concrete pier caps to support the building foundations along with a 12" precast floor plank to support the floor system.

RJM Construction, our project manager, has completed the plans and specification for the Training Facility. The attached drawings show the layout of the space, the building elevations, and the site plan.

The estimated project timeline:

- |   |                      |
|---|----------------------|
| ▪ Bid advertising                           | April 10-April 24    |
| ▪ Bid due date                              | April 24             |
| ▪ City Council Bid Review/Award             | May 13               |
| ▪ City Council Authorize Partner Agreements | May 13               |
| ▪ Construction                              | June 3 – November 14 |
| ▪ Final Completion                          | November 14          |

The training facility design includes:

Overall footprint	7,500 sq. ft.
Training area space	6,300 sq. ft.
Office/bathroom/locker rooms	1,200 sq. ft.

- The interior space will have an industrial or raw feel to it.
- The space will include office areas, a unisex restroom, two locker rooms, mechanical room and dry land training space.
- The interior floor material will be sealed concrete, with a few exceptions (e.g. the office areas and bathroom). Acceleration will provide the rubber and artificial floor material for the training space.
- PIC's rear vestibule will be the only common space of the facility, providing access to both the ice arena and the dry land training space.
- The exterior of the facility will closely match Rink C with 18' high precast concrete walls and a few windows for natural light.
- The parking lot layout will be slightly altered to accommodate the addition; however, the parking space ratio will remain the same.



### 3. BUDGET IMPACT:

This project is scheduled in the 2014 Capital Improvement Program with an estimated cost of \$1 million. With the completion of construction documents and the updated soil boring results, the

engineer's cost estimate for the project is \$1,320,000. In addition to the Acceleration lease advance and WYHA contribution, the remaining project costs will be financed utilizing an internal loan from the Field House Fund that has a current balance of approximately \$1.4 million.

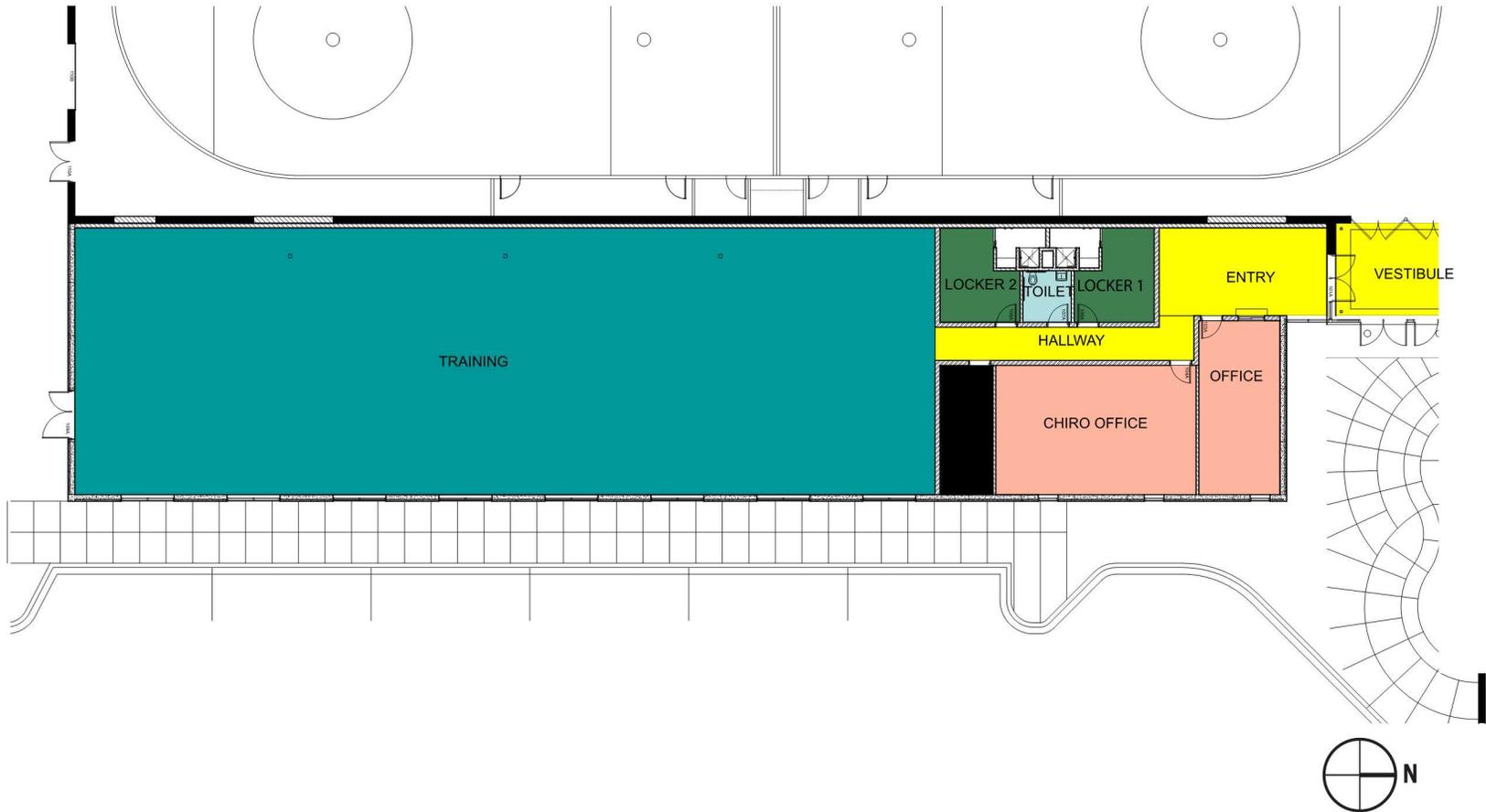
The City's financial contribution to the project via the internal loan is \$724,500. Over the ten-year lease agreement, the City will generate \$773,811 in revenue. Over the long term, the off-ice revenue will provide for future improvements and needed repairs at the PIC. This new source of revenue will help ensure that the PIC fund continues to operate in the black for the long term.

#### **4. ATTACHMENTS:**

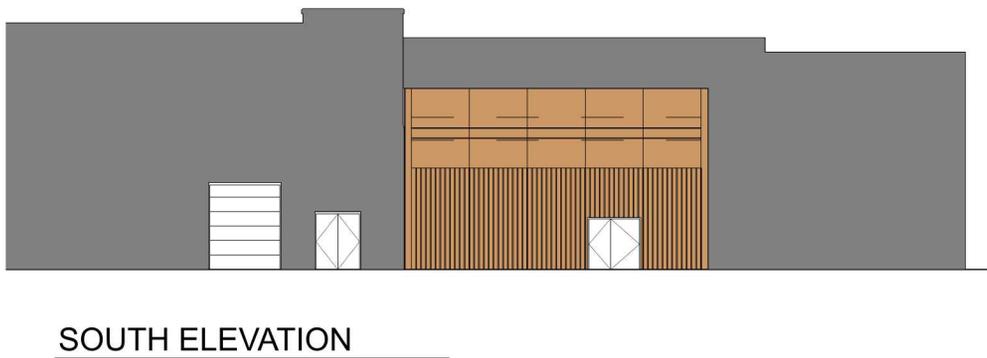
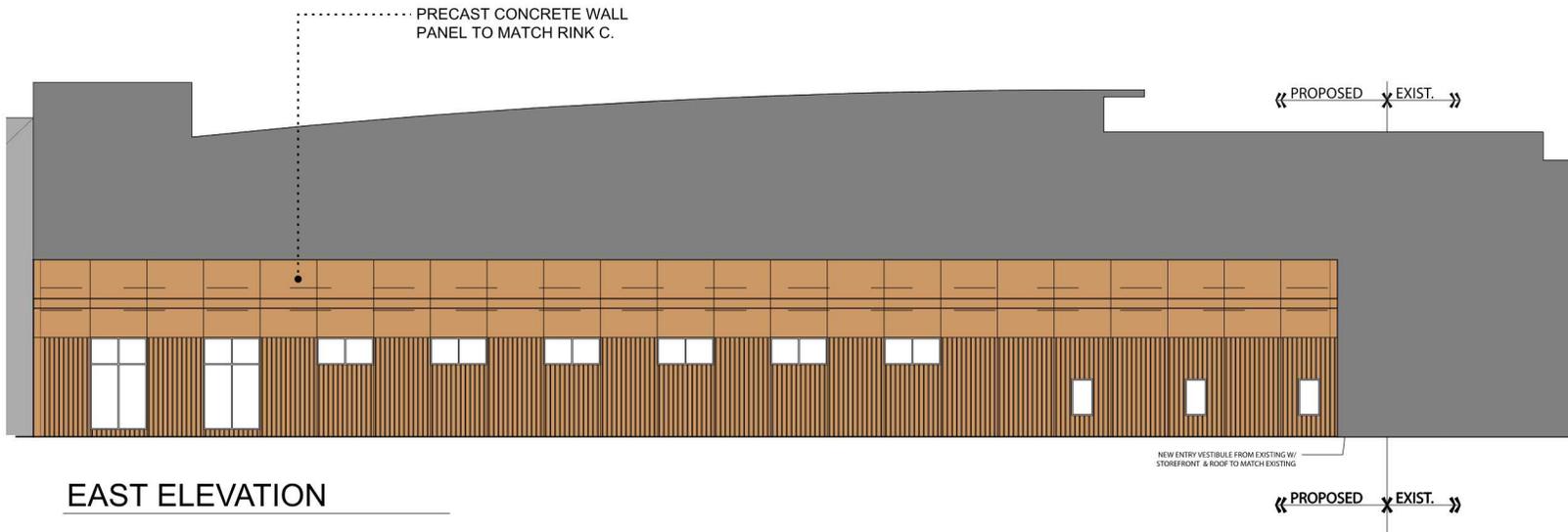
- Site Concept Plans
- MOU Agreements
- Financial Information
- Resolution



# PLYMOUTH ICE CENTER DRYLAND TRAINING ADDITION SITE PLAN



# PLYMOUTH ICE CENTER DRYLAND TRAINING ADDITION FLOOR PLAN



# PLYMOUTH ICE CENTER DRYLAND TRAINING ADDITION ELEVATIONS

## MEMORANDUM OF UNDERSTANDING

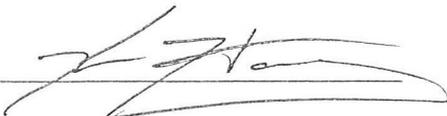
### BY AND BETWEEN THE CITY OF PLYMOUTH, MINNESOTA AND ACCELERATION MINNESOTA-NW REGARDING THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE PLYMOUTH ICE CENTER DRY LAND TRAINING AREA

1. The Plymouth Ice Center Dry Land Training Area (“project”) will be a new addition to the east side of the Plymouth Ice Center. The 7220 square foot project area will provide a public dry land warm-up area (800-1000 sq. ft), and a dry land area for athletic training and skill development for all sports. Components of the training area will include plyometrics (ground based speed work), strength training, high speed running treadmill and the hockey treadmill.
2. The project will be developed and financed through a public-private partnership between the City of Plymouth (“City”), Acceleration Minnesota-NW (“Acceleration”) and Wayzata Youth Hockey Association (WYHA). The estimated cost of the project is \$1,000,000. “Project costs” include architectural and engineering fees, soil testing, site preparation, permits, construction costs, and utilities, legal, insurance, landscaping and all other costs associated with the project. The project shall be designed and constructed as a municipally owned public facility under the standards, rules and laws of the State of Minnesota.
3. The City, WYHA and Acceleration will share the initial project construction cost. The City will contribute \$519,020 and any project cost over the estimated project cost of \$1,000,000. WYHA will contribute \$100,000 and Acceleration will contribute \$55,980. All financial contributions will be paid to the City of Plymouth within 30 days after the “Project” has been approved by the City Council.
4. Acceleration will lease the “Project” space from the City of Plymouth. The City will negotiate a final lease agreement with Acceleration once the City Council has authorized the “Project” to proceed. Tentatively, Acceleration will enter into a 10-year financial lease agreement with the City to manage and operate the dry land training area (6220-6420 sq. ft). Community and County individuals, groups and organizations will schedule and pay for training, health and wellness services through Acceleration. Tentatively, the financial lease agreement will include a yearly lease rate of \$9 per square foot with a 3% inflator.
5. The “Project” will be designed by an architect selected and contracted to the City.
6. The “Project” architect will be advised by a design team consisting of members of Acceleration, WYHA and the City. Upon completion of the design drawings and plans and specifications, the project plans will be presented to the City Council for approval.
7. The City’s execution of construction contracts for the project will be conditioned on all of the following actions being accomplished to the satisfaction of the City Manager:
  - a. The City has received the full cash contribution of \$100,000 from WYHA and \$55,980 for Acceleration; and,
  - b. The City Council has approved a 10-year lease agreement with Acceleration

8. The City will secure all necessary governmental permits, licenses, surveys, soil tests, and other entitlements necessary for the construction and operation of the project.
9. The City reserves all naming rights for the project, provided it may sell or lease those rights at its sole discretion, as long as the City uses the funds for maintenance and upkeep of the Plymouth Ice Arena, including, but not limited to, the project.
10. The City will control all vending machine rights in the Plymouth Ice Arena including the project and any other additions to the arena.
11. The City will control all branding decisions in the Plymouth Ice Arena including the project and any other additions to the arena.
12. The City will control all exterior and interior signage for the project.
13. The City reserves the right to cancel the project for any reason prior to the award of construction contracts, including, but not limited to, any of the following:
  - a. Project costs exceed the project budget.
  - b. One or more of the financial partners (WYHA and Acceleration) drops out of the project
  - c. The City of Plymouth does not receive the Hennepin Youth Sports Program Grant

**APPROVED AND ADOPTED:**

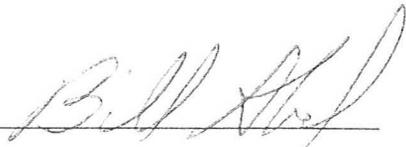
Acceleration Minnesota-NW

BY:   
 \_\_\_\_\_  
 It's Owner

City of Plymouth

BY:  10/14/13  
 \_\_\_\_\_  
 It's Park & Recreation Director

AND \_\_\_\_\_  
 \_\_\_\_\_  
 It's

AND   
 \_\_\_\_\_  
 It's Ice Arena Manager

## MEMORANDUM OF UNDERSTANDING

### BY AND BETWEEN THE CITY OF PLYMOUTH, MINNESOTA AND WAYZATA YOUTH HOCKEY ASSOCIATION REGARDING THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE PLYMOUTH ICE CENTER DRY LAND TRAINING AREA

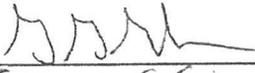
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2. The project will be developed and financed through a public-private partnership between the City of Plymouth ("City"), Acceleration Minnesota-NW ("Acceleration") and Wayzata Youth Hockey Association (WYHA). The estimated cost of the project is \$1,000,000. "Project costs" include architectural and engineering fees, soil testing, site preparation, permits, construction costs, utilities, legal, insurance, landscaping and all other costs associated with the project. The project shall be designed and constructed as a municipally owned public facility under the standards, rules and laws of the State of Minnesota.
3. The City, WYHA and Acceleration will share the initial project construction cost. The City will contribute \$519,020 and any project cost over the estimated project cost of \$1,000,000. WYHA will contribute \$100,000 and Acceleration will contribute \$55,980. All financial contributions will be paid to the City of Plymouth within 30 days after the "Project" has been approved by the City Council.
4. Acceleration will lease the "Project" space from the City of Plymouth. The City will negotiate a final lease agreement with Acceleration once the City Council has authorized the "Project" to proceed.
5. Once the training facility is constructed, Wayzata Youth Hockey Association will donate another \$300,000 to the "Project". WYHA will make four (4) \$75,000 annually payments on December 1<sup>st</sup> of each year beginning on December 1, 2015.
6. The "Project" will be designed by an architect selected and contracted to the City.
7. The "Project" architect will be advised by a design team consisting of members of Acceleration, WYHA and the City. Upon completion of the design drawings and plans and specifications, the project plans will be presented to the City Council for approval.
8. The City's execution of construction contracts for the project will be conditioned on all of the following actions being accomplished to the satisfaction of the City Manager:
  - a. The City has received the full cash contribution of \$100,000 from WYHA and \$55,980 for Acceleration; and,
  - b. The City Council has approved a 10-year lease agreement with Acceleration
9. The City will secure all necessary governmental permits, licenses, surveys, soil tests, and other entitlements necessary for the construction and operation of the project.
10. The City reserves all naming rights for the project, provided it may sell or lease those rights at its sole discretion, as long as the City uses the funds for maintenance and upkeep of the Plymouth Ice Arena, including, but not limited to, the project.

11. The City will control all vending machine rights in the Plymouth Ice Arena including the project and any other additions to the arena.
12. The City will control all branding decisions in the Plymouth Ice Arena including the project and any other additions to the arena.
13. The City will control all exterior and interior signage for the project.
14. The City reserves the right to cancel the project for any reason prior to the award of construction contracts, including, but not limited to, any of the following:
  - a. Project costs exceed the project budget.
  - b. One or more of the financial partners (WYHA and Acceleration) drops out of the project
  - c. The City of Plymouth does not receive the Hennepin Youth Sports Program Grant

APPROVED AND ADOPTED:

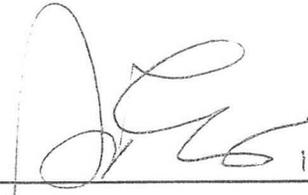
Wayzata Youth Hockey Association

BY:

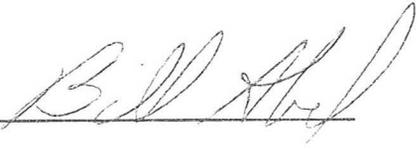
  
10/13/13  
Gregory G. Gibson  
Its President

City of Plymouth

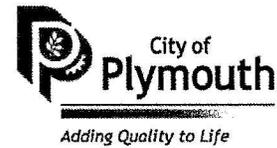
BY:

  
10/14/13  
Its Park & Recreation Director

AND

  
Its Ice Arena Manager

**PLYMOUTH ICE CENTER EXPANSION  
DRY LAND TRAINING AREA**



**Revenue Assumptions**

Leaseable s.f.	7,500
Lease Rate	9.27
Inflator	3%

**Loan Assumptions**

Rate	1.50%	
Term	10	
Amount	1,152,500	Includes \$167,500 upfront WYHA & Accel. contribution
Dated Date	1/1/15	Assumes no accrued/capitalized interest
First Payment	12/31/15	

WYHA Contributions		\$528,000
2014	100,000	
2015	86,000	
2016	85,500	
2017	85,500	
2018	85,500	
2019	85,500	
<b>Total</b>	<b>528,000</b>	

ESTIMATE CONSTRUCTION COST = \$1,320,000

<u>Year</u>	<u>Revenue</u>	<u>Beginning Balance</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Payment</u>	<u>Ending Balance</u>
2015	155,525.00	1,152,500	17,287.50	138,237.50	155,525.00	1,014,263
2016	157,110.75	1,014,263	15,213.94	141,896.81	157,110.75	872,366
2017	159,259.07	872,366	13,085.49	146,173.59	159,259.07	726,192
2018	161,471.84	726,192	10,892.88	150,578.96	161,471.84	575,613
2019	163,751.00	575,613	8,634.20	155,116.80	163,751.00	420,496
2020	80,598.53	420,496	6,307.45	74,291.09	80,598.53	346,205
2021	83,016.49	346,205	5,193.08	77,823.41	83,016.49	268,382
2022	85,506.98	268,382	4,025.73	81,481.25	85,506.98	186,901
2023	88,072.19	186,901	2,803.51	85,268.68	88,072.19	101,632
2024	90,714.36	101,632	1,524.48	89,189.88	90,714.36	12,442
2025	93,435.79	12,442	186.63	93,249.16	93,435.79	(80,807)
2026	96,238.86	(80,807)	(1,212.11)	97,450.97	96,238.86	(178,258)
	<b>1,414,700.86</b>				<b>1,414,700.86</b>	

Project cost estimate is \$1,320,000.

Document- Mar. 2014

# PLYMOUTH ICE CENTER DRY LAND TRAINING AREA

Document -Mar. 2014

## Revenue Assumptions

Training Area Leaseable S.F.	7500
Public Warm-up Area	0
Total Leaseable S.F.	7500

Lease Rate	9.00 S.F.
Inflator	3 %
Lease Agreement	10 years

## Project Cost

\$1,320,000

## Contributions

WYHA	\$528,000.00
City	\$724,500.00
Hennepin County	\$0.00
Acceleration	\$67,500.00

Total \$1,320,000.00

<u>Year</u>	<u>S.F. Rate</u>	<u>Annual Lease Total</u>	<u>Monthly Lease Total</u>
2014	9	\$67,500.00 * Paid upfront	
2015	9.27	\$69,525.00	\$5,793.75
2016	9.55	\$71,610.75	\$5,967.56
2017	9.83	\$73,759.07	\$6,146.59
2018	10.13	\$75,971.84	\$6,330.99
2019	10.43	\$78,251.00	\$6,520.92
2020	10.75	\$80,598.53	\$6,716.54
2021	11.07	\$83,016.49	\$6,918.04
2022	11.40	\$85,506.98	\$7,125.58
2023	11.74	\$88,072.19	\$7,339.35
	<b>10-YEAR TOTAL</b>	<b>\$773,811.85</b>	

# CITY OF PLYMOUTH

## RESOLUTION No. 2014 -

### AUTHORIZING THE ADVERTISEMENT FOR BIDS FOR THE PLYMOUTH ICE CENTER TRAINING FACILITY CITY PROJECT No. PRK40021

WHEREAS, the proposed project will be a public-private partnership between Acceleration Minnesota NW (Acceleration), Wayzata Youth Hockey Association (WYHA) and the City of Plymouth for the construction of an addition onto the Plymouth Ice Center (PIC) for dry land training; and

WHEREAS, the 7,500 square foot addition will be constructed at the rear of the Plymouth Ice Center abutting Rink B; and

WHEREAS, the City will enter into a binding financial contract and/or lease agreement with each of the partners to help fund the project; and

WHEREAS, the City will lease the space to Acceleration to operate as a dry land training facility for athletic and skill development for all sports programs (soccer, baseball, basketball, football, hockey, etc); and

WHEREAS, Wayzata Youth Hockey Association will provide financial support for the project because they believe that training and development are the key ingredients for successful hockey players as well as all athletes; and

WHEREAS, RJM Construction and 292 Design Group consultants on the project have prepared plans and specification and estimated costs for the new addition; and

WHEREAS, the estimated cost of the project is \$1,320,000 and will be financed utilizing an internal loan from the Field House Fund; and

WHEREAS, the bid process will be initiated in April and available for bid award at the May 13, 2014 City Council meeting;

NOW, THEREFORE BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLYMOUTH, MINNESOTA, that the advertisement for bids for the Plymouth Ice Center Training Facility Project, PRK40021 is hereby approved.

APPROVED this 8th day of April, 2014.