

CITY OF BETHEL ACTION MEMORANDUM

Action Memorandum No.	18-46		
Date Action Introduced:	June 12, 2018	Introduced By:	C. Manager Williams
Date Action Taken:	June 12, 2018	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Denied
Confirmed By:	<i>KM</i>		

Authorize the City Manager to negotiate and execute a contract renewal with Health Fitness for an additional two (2) years of professional services managing the Health Facility.

Route To:	Department/Individual	Initials	Remarks
<input checked="" type="checkbox"/>	City Manager	PW	
<input checked="" type="checkbox"/>	City Attorney	<i>JB</i>	Per Contract Terms

Attachment(s): copy of proposed renewal contract (deliberately in track changes mode for ease in viewing the changes)

Amount of Fiscal Impact		Account Information
	No fiscal impact	
FY 19 \$144,200 FY20 \$148,526.00	Funds for FY 19 are in proposed budget; FY 20 has not yet been budgeted	40-50-649
	Funds are not budged for Budget modification required	

In 2016, after a procurement process, the City of Bethel hired Health Fitness to operate and manage the Yukon Kuskokwim Fitness Center.

A few months ago, pursuant to section 4(b) of the contract, Health Fitness provided notice to the City of Bethel of its desire to renew the contract. After verifying that insurance was up to date, that all taxes were up to date and that the business licenses were up to date, the City of Bethel responded positively to the request. Since then renewal discussions have ensued.

One major change in the proposed contract is maintenance. Experience has taught the City that we need to do more of our own maintenance in-house. Ultimately this is more cost effective and leads to better results. This also has provided for better continuity of care.

Aside from the maintenance portion, the amended contract has some language clean-up and the addition of risk management tools that the City has been utilizing to reduce its insurance premiums.