

Memorandum of Understanding between the City of Athens and the YMCA of Corsicana for the exclusive operation of the Cain Center.

This is a Memorandum of Understanding (MOU) between the City of Athens (City) and the YMCA of Corsicana (YMCA) for the operation of the Cain Center and is intended only to be a general guideline for the development of a long-term operating agreement for the management and ongoing operations of the Cain Center.

This MOU details certain deal points intended to outline the transition process, frame future negotiations and shall be the basis for the drafting of the final operating agreement. This MOU is non-binding and is intended only to be a guide for future good faith negotiations.

Outlined deal points:

1. Term- a ten (10) year operating agreement, beginning October 1, 2023 that includes periodic reviews. (Reviews may include extension, termination, and renegotiation).
2. Subsidy-The City of Athens shall pay an annual operating & capital subsidy in perpetuity of the operating agreement (payments prorated and dispersed monthly) to the YMCA as follows:
  - a. Operating Subsidy - \$198,500 annually / \$16,542 monthly
  - b. Capital Subsidy - \$50,000 annually / \$4,167 monthly
    - i. Capital Funds Account will be maintained by City of Athens
3. Office/Meeting Space-The City of Athens shall pay a rental fee of \$25,000 annually / \$4,167 monthly to retain use of Civic Hall and Executive Meeting Room areas.
4. Renovation Costs-The City shall provide funding through the Capital Account to install brand compliant signage. The YMCA will oversee the installation of new signage in order to fulfill brand compliance through Y-USA guidelines.
  - a. Total costs shall not exceed \$50,000
5. Transition Period- The City and YMCA shall cooperate in a manner to facilitate the transfer of operations to the YMCA in the most effective and efficient manner possible, as follows:
  - a. Cain Center staff members, employed at the time of entering into the Operating Agreement, shall be given an opportunity to apply for a position with the YMCA. All future employment decisions are the sole discretion of the YMCA.
  - b. The YMCA and City shall develop a plan to transition operations to the YMCA in such a manner as to maximize efforts during the transition period and to minimize the impact on operations of the YMCA after October 1, 2023, including:
    - i. The City and the YMCA may, upon mutual agreement of the parties, enter into an interim management agreement for operations and/or management of the Cain Center prior to October 1, 2023.
    - ii. Upon execution of a long-term Operating Agreement, the City and the YMCA shall cooperate to transfer membership information to the YMCA's proprietary membership software.
    - iii. The YMCA shall, upon mutual agreement of the parties, be granted access to operate a YMCA Summer Camp Program and other YMCA related programs out of the Cain Center (May 2023-September 2023), at no cost to the YMCA. The

YMCA shall secure any scholarships needed to operate the program, at no cost to the City.

6. Operations- The City and YMCA shall develop an Operating Agreement to outline specific responsibilities of each party, including but not limited to:
- a. The City shall be responsible for all maintenance costs of the Cain Center in excess of the Per Repair Threshold as follows:
    - i. Years 1-5        \$1,000
    - ii. Years 6-10     \$1,500

For the purposes of this section, multiple invoices relating to the same repair shall be considered in their aggregate to determine the cost of the repair. When possible, all repairs anticipated to exceed the Per Repair Threshold shall be approved by the City prior to incurring any expense. (Example: For Years 1-5, the YMCA shall be responsible for the first \$1,000 of each repair. If the cost of a single invoice, or multiple invoices related to the same repair, exceeds \$1,000, the City shall pay all expenses in excess of \$1,000) Labor provided by the YMCA or City shall not be included in determining the cost of the repair. Damage due to lack of supervision or negligence on behalf of the YMCA shall be repaired at the sole cost of the YMCA.

The Public Works Director with the City of Athens shall provide facilities technical support to the Cain Center. Contractual maintenance services shall be procured through the compliance procedures of the City of Athens.

The YMCA shall, at a minimum, contract for preventive maintenance agreements for pool pumps, pool filters, pool heaters, HVAC, and elevator maintenance. All recurring preventive maintenance agreements shall be the sole responsibility of the YMCA.

- b. The YMCA shall maintain at least one (1) full-time maintenance personnel at the Cain Center during the term of the Operating Agreement.
- c. The City shall be responsible for maintaining all portions of the park (parking lots, landscaping, tennis courts, retention pond, walking track, sports fields).
- d. The YMCA shall be responsible for maintaining all portions of the Cain Center.
- e. The City and YMCA shall develop a long-term Capital Maintenance Plan to repair, or replace, fixed items that were included in the original construction or subsequent renovation of the facility.
- f. The City shall be responsible for maintaining commercial property insurance for the Cain Center and fixtures with fire and extended coverage insurance and such liability insurance as it may elect to carry for its own risks.
- g. The YMCA shall be responsible for maintaining comprehensive commercial general liability insurance, worker's compensation insurance & automobile liability insurance covering all owned, hired and non-owned vehicles in use by the YMCA.
- h. The YMCA shall pay for all utilities and operating costs the Cain Center.
  - i. The City shall provide the ability to stay on the existing contract for all utilities.
- i. The YMCA shall receive access to all City owned fields, including baseball, softball, soccer and football fields, subject to existing agreements. The City and YMCA may elect to enter into subsequent agreements for the YMCA to manage the scheduling of City owned fields or other City owned facilities.

- j. The YMCA shall provide all equipment necessary for operation of their programs within the facility that are not permanent improvements to the facility, which may include, but not be limited to: exercise or cardio equipment, and other pool accessories necessary for operations of the facility.
- k. The City and YMCA shall negotiate and determine, in good faith, for the use, transfer and/or maintenance of certain personal property in use within the Cain Center as of October 1, 2023. No fees shall be charged for the use of existing personal property within the facilities, other than existing lease agreements.
- l. All improvements to the facility must be approved by the City.
- m. The YMCA shall have sole discretion over fee structure for all services provided.
- n. The YMCA shall honor existing membership agreement with City employees for 12 months from October 1, 2023. Following this period, the City may elect to continue memberships at an agreed upon price structure.
- o. The YMCA shall have the right to enter into joint program agreements for certain portions of the Cain Center with third party organizations, not inconsistent with the operations of the facility as a recreation center.
- p. The YMCA may rent space in the Cain Center in accordance with the YMCA's facility rental guidelines. All revenue from facility rentals will be retained by the YMCA.

Nothing herein is intended to be considered a contract or binding on either party and does not guarantee any future performance by either party.

City of Athens

YMCA of Corsicana

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*Thomas Burns*

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Elizabeth Borstad, City Manager

Thomas Burns, CEO

Date:

Date: 6/8/2023