



"An enlightened citizenry is indispensable for the proper functioning of a republic."
Thomas Jefferson

AN OPEN LETTER TO THE CITY OF FAIRMONT

The attached letter contains Citizens 4 A Strong Fairmont response to comments by Councilor Britney Kawecki re: Proposal to re-purpose the Southern Minnesota Education Center into a community center.

NOTE

All responses to Councilor Kawecki's comments were made within the context that existed as of June 2022. There have been many changes regarding the status and features to the Fairmont Area Community Center Foundation proposal for a YMCA / Community Center, the City's roles and responsibilities in regard to that proposal, as well as our national and local economy. Citizens 4 A Strong Fairmont would have to review and evaluate those changes to determine what, if any, revisions would need to be made to our proposal to remodel the SMEC building, in light of those current considerations. Since the time when we presented our proposal in June 2022, no member of the City Council, or the Administration has ever approached Citizens 4 A Strong Fairmont to examine and consider ideas for making it a more feasible alternative to the FACCF proposal for a YMCA / Community Center.

Citizens 4 A Strong Fairmont
P.O. 1076
Fairmont, MN 56031

City Council Members and Staff
City Hall
100 Downtown Plaza
Fairmont, MN 56031

An Open Letter to the City of Fairmont:

In the past few months, several citizens have sent emails or letters to Councilor Kawecki encouraging her to support the repurposing and remodeling proposal for the Southern Minnesota Education Campus (SMEC). Those citizens forwarded Ms. Kawecki's responses to Mr. Bradley at Citizens 4 A Strong Fairmont (C4ASF) and asked that he provide a response.

By way of background, on July 11th the SMEC repurposing and remodeling proposal was presented by Mr. Bradley to the City Council on behalf of C4ASF. In her letter, Councilor Kawecki raised a number of questions regarding the content and accuracy of the proposal. Since the C4ASF proposal was presented in public before the members of the City Council, the City Administrator and staff (the "City") C4ASF is sending each of you a copy of Councilor Kawecki's email and Mr. Bradley's response.¹ In the following paragraphs Councilor Kawecki's comments are highlighted in bold print.

"...this presentation all though well thought out has not done it due diligence." Councilor Kawecki

A proposal, such as the one that C4ASF presented to the City Council, is not intended to be a final or complete design, nor is it a full project plan. Rather it is a feasibility report, developed as an alternate option for the City to consider for a community center.²

Several months, hundreds of hours and thousands of dollars were put into the research, development, and preparation of the proposal at no cost to the City or the citizens of Fairmont. The proposal was designed to encourage discussion of a potentially viable, and certainly affordable, option for a recreation/ education center in Fairmont. C4ASF would welcome any researchable evidence that could assist us in fine tuning the proposal.

"...We as a council have voted to support the community center numerous times and have spent money supporting such vote to date. We have hired an owners representative, architect, and most recently a construction manager." Councilor Kawecki

¹ The full text of Councilor Kawecki's email response is provided under Exhibit C attached at the end of this document.

² dictionary.com by Apple. Also refer to: Merriam-Webster, "An act of putting forward or stating something for consideration." Or, the Cambridge Dictionary, "a suggestion, sometimes a written one." Or, the Free Dictionary, "The act of offering or suggesting something for acceptance, adoption, or performance."

We are aware that votes have occurred, funds have been spent, and consultants hired to assist with the current FACCF proposal. Those steps were part of the process to help the City and the community make an informed decision on whether the ground-up construction of such a facility was a viable option. C4ASF filled a different need at its own cost.

Members of the City Council and the community had expressed a desire to see other groups come forward with alternate plans. In presenting its proposal C4ASF provided an added benefit of a concept that could put an existing City-owned, under-utilized building into productive use. There is no hard and fast definition of what constitutes a community center. A simple review of the more than 85 community centers located throughout the State of MN provides a plethora of approaches to this topic — Both in the scope and type of amenities, the square footage of those amenities, the type of construction, maintenance costs, and membership fees.³

We should not lose sight of the fact that neither the original language of the 0.5% local option sales tax nor the subsequent resolution to allocate \$14 of the \$15 million to a community center required that the money had to go toward the proposal put forward by the FACCF. That money can just as easily be dedicated to other community center designs and/or projects that do not require the construction of a new facility.

We know that the City has signed a memorandum of understanding (MOU) with a construction firm in relation to the on-going development of a community center. However, it has been our understanding that memorandum is not a legally binding contract that would require the City to take any specific course of action. The City still has options.

“Operating and Maintenance Costs - 367K/year - I feel this is not an accurate number and would be much higher and would be closer to 1-1.5 million...” Councilor Kawecki

In the weeks since it received Councilor Kawecki’s letter, C4ASF has researched this matter and has not found evidence that the operating and maintenance costs would be as high as she believes. Let’s look again at the numbers.

C4ASF based its operating and maintenance cost estimate on the following figures. Some of this information can also be found on pages 5 and 6 of the proposal that was provided to the members of the City Council. It is worth noting that an errata sheet was included with that handout that revised the operating and maintenance to \$404K per year.

Conducting a review of the Adopted Budgets by the City indicate that the cost of operating and maintaining (O&M) the Southern Minnesota Education Campus building were as follows:

2018 - \$87,419⁴
 2019 - \$105,419⁵
 2020 - \$89,069⁶
 2021 - \$84,400⁷

³ A good starting point to begin such an analysis is with the Cause IQ web-page for Minnesota community recreation centers @ <https://www.causeiq.com/director/community-recreation-centers-list/minnesota-state/>.

⁴ City of Fairmont, MN - *City of Lakes*, “2018 Adopted Budget”

⁵ Ibid. “2019 Adopted Budget”

⁶ Ibid., “2020 Adopted Budget”

⁷ Ibid., “2021 Adopted Budget”

2022 - \$86,400⁸

This means that the average O&M cost during the previous five years was \$90,514 (slightly higher than what was quoted in our proposal). We added the amount needed to hire additional staffing and a recreation coordinator.

\$50K — Recreation Manager

\$124K — Assistants — 6 P/T @ 25 hrs/wk @ \$16.50/hr. — 2 for the 2nd-floor, 2 for the 1st-floor seniors and kids, 1 for the commons room, 1 for entry lobby sign-in desk)

\$4K — Special Event Assistant — 1 P/T @ 4 - 5 hrs/wk @ \$16.50/hr.

\$125K — Security Officers — 4 P/T @ 25 hrs/wk @ \$25/hr.

Adding together the existing O&M costs plus the costs for additional staffing brings us to \$408K per year not \$1.0 - \$1.5 million. If Councilor Kawecky believes that this cost is too low we request that she provide the economic figures that would justify her position so we can correct the proposal.

“How do we cover this except through increased taxes as the 0.5% sales tax cannot be used for this?

The flyer in the Photo press states that the group plans to use liquor store funds but council and administration knows that liquor store funds are used currently and are also used for reserves, so this is an inaccurate statement. So the answer would be increased taxes to cover this operating and maintenance costs. Or is the Liquor tax revenue a new tax that will be passed and we will need to change state statute? Either way, we do not have the money to cover operation and maintenance costs which will be much higher than 387k/yr. ” Councilor Kawecky

The flyer only identified possible avenues of funding which could, but does not need to, include revenue from the liquor store taxes. It has been C4ASF’s understanding that the liquor store annual revenue generally has a surplus after distributions. Some of that surplus could be used to help finance the O&M cost of the re-purposed SMEC building during its 1st year of operation, however, there are other potential sources of revenue which were noted in the flyer.

The flyer also stated that maintenance and operation would be paid through attendance fees and business scholarships on an increasing basis as growth occurred. According to C4ASF’s research, the facility could be self-sustaining by the end of its 1st 12 - 18 months of operation. Councilor Kawecky’s comment that the O&M costs would be between \$1.0 and \$1.5 million is an overstatement of the economic data.

Finally, no new taxes would need to be levied. We are confident that Councilor Kawecky knows that C4ASF has not, and will not call for new taxes.

“City Council has voted to NOT operate and maintain the facility and that is why we have chosen to work with the YMCA and the Foundation so they will cover the costs named above versus Mr. Bradley's plan. This gives the city of Fairmont TWO back stops before the citizens of Fairmont are on the hook for the facility - this to me is a better plan?” Councilor Kawecky

It is our understanding that a formal vote has never been taken that establishes the policy that the City of Fairmont will not pay for the cost of operating and maintaining the FACCF community center’s physical

⁸ Ibid., “2022 Adopted Budget”

building. If such a vote has been taken, we request that the City send us a link to the minutes for that meeting.

In reviewing Councilor Kawecki's comment regarding two backstops, we find it interesting that the FACCF is one of the sources of funding that will cover costs "before the citizens of Fairmont are on the hook for the facility...." Other than the FACCF's task of raising \$6M toward construction of the facility, no ongoing financial plan has been made available. We would appreciate receiving that information from the City and/or the FACCF showing how that funding will work.

On July 14th a meeting was conducted between the City Administration, the FACCF, and YMCA at the SMEC building. When the question arose of which entity was going to pay the cost of operating and maintaining the community center building itself, the Executive Director for the Albert Lea Family YMCA made the statement that the City of Fairmont is responsible for operation and maintenance costs.

This makes it evident that the YMCA is looking to the City of Fairmont as the sole financial backstop. In the meantime, the FACCF states on its website that the City of Fairmont will be the owner of the facility and will retain responsibility for the operational maintenance of the physical building (see the image on the next page taken from the FACCF website). We would appreciate any information that is available to show that this is not the case.

"Please also note that we have no operating costs, no construction costs, as we have just hired the architect and the construction manager for the project - if this comes in at 40 million we as a city cannot afford the community center and we will have to scrap the project or reduce it to the number we have budgeted - we as a city and as a council understand this. " Councilor Kawecki

We are glad to see that Councilor Kawecki understands that the community cannot afford a \$40 million facility. During the previous 4-years cost estimates for the community center have ranged from \$19.9 million to \$39.9 million. The FACCF has stated on several occasions construction costs of \$19.9 million⁹, \$24.7 million¹⁰, and \$30.0 million¹¹.

Further, we appreciate the fact that the City does not yet have firm construction or operating costs from the latest architect and engineering design firm. What we do have in writing is the results of the two prior architectural and engineering studies as good indicators.

The 2016 Oertel Architects and Bolton & Menk engineering firm indicated that the construction of a 163,000 sq. ft. facility would cost \$39.9 million that included soft costs¹², an average cost per square foot of \$245. That study provided helpful and detailed information including projecting annual escalation costs in material and labor of \$1,217,845 per year that the building was delayed. Those escalation costs would place the build cost of the same structure at \$49,678,560 for a 2024 construction start date.¹³

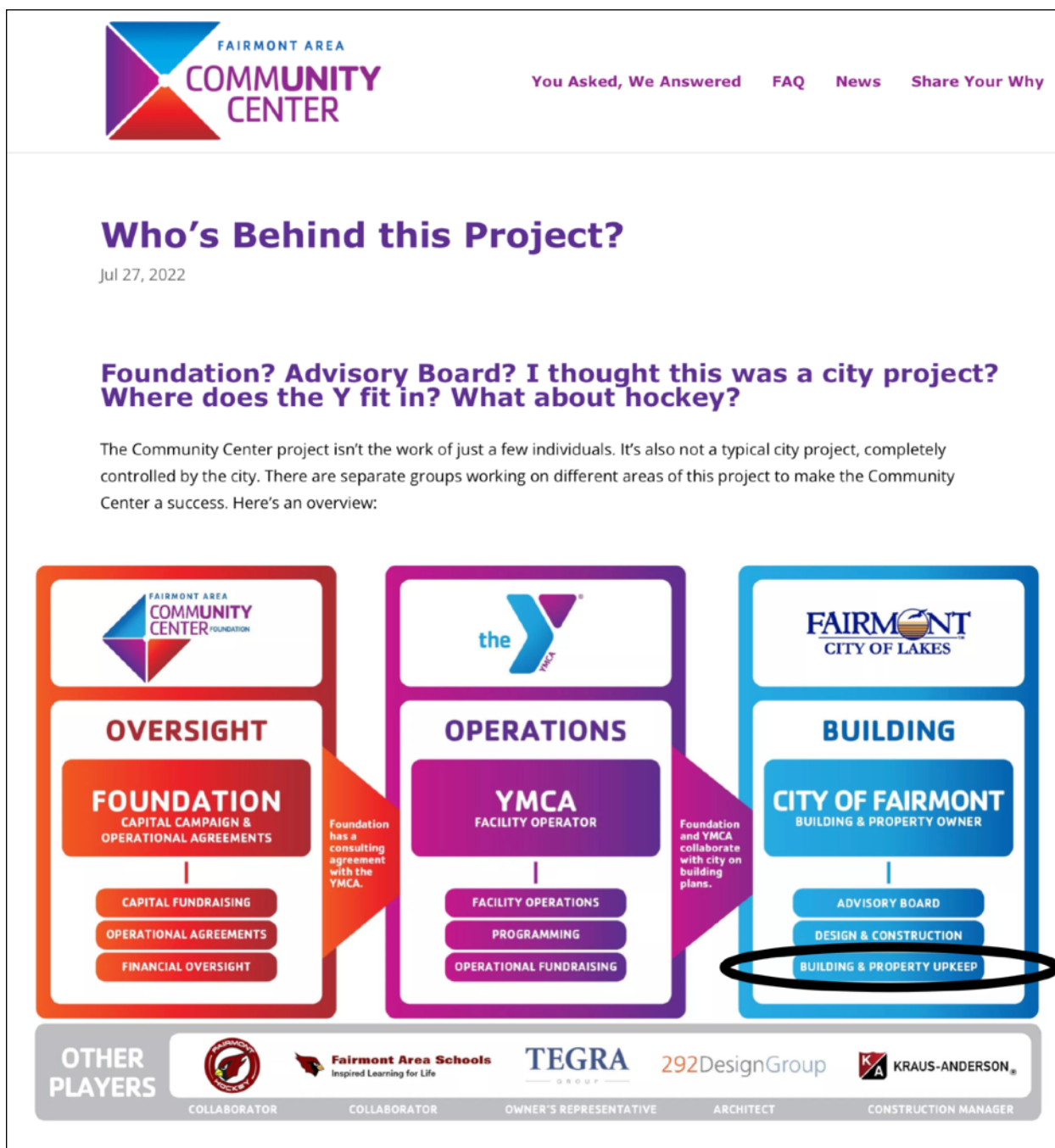
⁹ Sentinel, *City commits to community center*, December 10, 2019.

¹⁰ Sentinel, *City plans forum on rec center*, September 25, 1918.

¹¹ Sentinel, *Community center board looks at cost, timeline*, September 9, 2021 and, *Foundation goes over progress, cost*, February 11, 2022.

¹² Oertel Architects, Ltd., Bolton And Menk. *City of Fairmont: Community Center Feasibility Study*. pp. 34-35, 2016

¹³ Ibid., pg. 35. Also refer to Appendix D- Space Needs Program. The escalation cost estimate for labor and material provided on page 35 was before the advent of the Covid pandemic, which sent those costs skyrocketing beyond the historic figure of 3% - 4% to 10% or higher.



The 2018 - 2019 JLG Architects and RJM Construction study¹⁴ indicated that the construction of a 137,000 sq. ft. facility would cost \$38.5 million at an average cost of \$281 per sq. ft.¹⁵ Assuming similar escalation costs as the prior 2016 study this would place the JLG / RJM design at a cost of around \$44.6 million for the same structure with a 2024 construction start date.

We are confident that if the 292 Design Group comes in with construction costs for a facility similar to the prior studies with similar amenities (field house, single ice, swimming pool, fitness, walking track,

¹⁴ PhotoPress. *Fairmont Community Center Update*. May 30, 2018.

¹⁵ Soft costs are not indicated in the JLG plans. However, for the sake of discussion we assume they were included.

lockers, bathrooms, concessions, etc.) it will be in the range of \$45 - 50 million. It could be higher because the economic reality of the Covid pandemic impact on the cost of materials and labor plus inflation is significant, and neither of the prior studies were able to take these factors into account. If the scope of the project has changed from the prior studies, then the numbers will change. It's that simple.

"Please also note that the presentation noted one manager at 50k/ year - I do not think we have a city employee who is full time, with benefits and pension etc who is at 50k? They would also need assistant managers, programmers, and additional staff, the security guards - would they all qualify for pension and benefits, my guess is yes as city employees? - These are operation and Maintenance expenses - where does this come from - increased taxes?" Councilor Kawecki

C4ASF reminds Councilor Kawecki that the proposal was a concept. We agree that C4ASF did not estimate a full salary plus benefits and pension number in the proposal. In the weeks since it received Councilor Kawecki's letter, we have researched this question and found the following information

If the position is a City employee (which is clearly not a requirement) full salary, benefits, plus pension package for staff could increase the cost of hiring full-time staffing approximately 30% - 42% above the base salary. This means that a \$50K salary could cost the city \$65K - \$72K per year. The updated cost analysis is attached as Exhibit A at the end of this document showing that the updated total operation and maintenance cost falls between \$454 to \$461K.

Then add the updated current average operating cost of \$90K to these figures and the total operation and maintenance cost is equal to \$454 to \$461K. This figure, although higher than our \$404K estimate, is far less than Councilor Kawecki's feeling that operation and maintenance costs would be somewhere between \$1.0 and \$1.5 million.

C4ASF would welcome a discussion with the City to discuss any additional factors that could impact those costs and the levels of projected staffing for the SMEC repurposing proposal.

"We also have to consider replacement costs and that the facility will wear out much more quickly - where does this money come from? Increased taxes?" Councilor Kawecki

Fairmont has facilities that have operated effectively for more than 100-years.¹⁶ The SMEC building has undergone several upgrades and improvements over the years to keep it a viable, robust and functioning facility and is currently being considered for the following \$3.475M in upgrades, including the list in Exhibit B attached to this document. Since the City has to pay to maintain its buildings even if they are severely under-utilized, why not put the building into productive use?

"Amenities - This is not meant to be offensive but I am 40 years old and I am not sure what a slot car even is? I have asked people that are older than me but younger than 50 and people that are younger than me and they are not aware of it either..." Councilor Kawecki

¹⁶ The Red Rock Center, Southern Minnesota Education Campus, Fairmont Opera House, and the Martin County Courthouse are examples of buildings that have been in operation for 100-years or more.

We can assure Councilor Kawecki, that slot cars are an international phenomenon attracting people of all ages. A simple search on YouTube will turn up hundreds of videos about slot cars, slot car racing, and its international competitions. A few are listed below for your viewing pleasure.¹⁷

"Kids "game" at home - with headphones with their friends and across the United States through their PlayStation's and other devices, I have asked parents and their children, they will not come to a center to game." " Councilor Kawecki

Gaming centers exist all across America and around the world. They are not just a college campus phenomenon.¹⁸ They are in vogue with kids and families because it gets kids and adults out of the house and gaming in competition with real, rather than virtual, people in the same room. We encourage Councilor Kawecki to look on-line at businesses such as: PlayLive Nation, Esport Gaming Lab, Arcave Room, Kids World Family Fun Center, or GameOn Party Planners.¹⁹

"The feedback is that the amenities he is listing are recreating the youth center that existed in Mr. Bradley's generation in Fairmont." Councilor Kawecki

It is true that many of the amenities listed in our plan were in existence when all of us were young. After all, who can match the timeless joy of hitting a billiard ball with a pool cue or challenging a friend to ping pong? The billiards industry is a good example. Pool table sales are expected to top \$283m in 2027 and Brunswick Corporation is trading at over \$66 per share precisely because people enjoy playing a game that had its genesis before the 1700's.

"Kids and families today want a sports complex - please next time you go to Sioux Falls check out Denny Sanford Sports Complex - it is huge and it continues to grow - you can google it as well - it has numerous buildings and it is beyond successful. Is this Fairmont, No. But can we be a 1/16 version, maybe?" Councilor Kawecki

We agree that the Sanford Sports Complex in Sioux Falls is a beautiful complex. It was built for \$117m almost entirely from dollars provided by the Denny Sanford Foundation with several other major donors.

¹⁷ See for example: (<https://www.youtube.com/watch?v=DY0DHAOYizY>); (<https://www.youtube.com/watch?v=H3ac-DdJyVQ>); (<https://www.youtube.com/watch?v=GtwkRd6zHwg>); (<https://www.youtube.com/watch?v=yFbMz65CKcw>). These are just a few for the 1:32 scale cars. There are many more for the HO scale and 1:24 scale. It should also be noted that during a conversation between Mr. Kawecki and Mr. Bradley at the recent Martin County Fair, Ms. Kawecki stated that she did go on-line to learn about slot cars and slot car racing. We commend her for taking that initiative to educate herself in regard to slot car racing.

¹⁸ Just one such example of this type of gaming center is the eGaming room located at Harper College in Palatine, IL (<https://www.harpercollege.edu/campusrec/gaming/index.php>). Wikipedia has a brief but excellent article about gaming centers and campus-based centers (https://en.wikipedia.org/wiki/LAN_gaming_center). Companies such as HP have spent millions on developing an entire line of equipment devoted to building gaming centers (<https://www.hp.com/us-en/solutions/education/higher-education/gaming.html>).

¹⁹ "How To Build a Cost-Effective Gaming Center", (<https://www.nrpa.org/parks-recreation-magazine/2021/september/how-to-build-a-cost-effective-gaming-center/>) or "Starting A Game Center/Lounge – A Profitable Business Plan For Video Games Lover", (<https://www.expert-market.com/starting-a-game-center-lounge-a-profitable-business-plan-for-video-games-lover/>) or "Gaming cafe business plan: How to start a gaming business?" (<https://www.businesscavator.com/home-based/gaming-cafe-business-plan-how-to-start-a-gaming-business/>) or "The Educational Gaming Experience for Youth" (<https://triangleesportsacademy.com>). There are many more sites on-line that address the various issues of building and operating a gaming center for youth, teens and young adults.

Once the latest \$50m expansion, also donated by the Denny Sanford Foundation, is complete, the complex will cover nearly 1.7 million square feet.

1/16 of the total \$167M cost of the Sanford Sports Complex would be \$10.44M. A more representative figure would be based on population / cost of construction, Sioux Falls is 19 times the size of Fairmont. This would mean a comparable cost for such a facility in Fairmont should be no more than \$8.79M. This is a more affordable amount for the City of Fairmont than the \$20M+ design proposed by FACCF.

“Due diligence is an important aspect for success and this plan has come together in little to no time with many errors and mis-statements. The biggest being how it will be funded.” Councilor Kawecki

We totally agree that due diligence is an important aspect for success. It involves a process of research, study, analysis, evaluation, re-assessment, and revision. Due diligence is not a one-and-done act, as evidenced by the three engineering studies that have been done by the FACCF and the City of Fairmont. The proposal that C4ASF brought to the City was the first step toward evaluating a new concept. We would appreciate any financial data and facts that would provide solid information to continue to fine tune the proposal.

“I was sitting in the room when the contractor was speaking about the design, this design provided to Mr. Bradley is very basic and generalized.” Councilor Kawecki

We are unclear what Councilor Kawecki means by this comment. There was no contractor in the Council Room when Mr. Bradley presented the proposal to the City, and no meeting with the contractor in which Councilor Kawecki was present.

“It also does not include prevailing wages for the work which would be required as it is a municipal project and this was quoted as regular wage - this would be a major price difference as well.” Councilor Kawecki

Our costs did not include prevailing wages because no determination could be made at the time the proposal was presented in regard to the type of funding that could be utilized for the concept. The type of funding is the key driver of whether prevailing wages are, or are not, required. C4ASF's proposal presents preliminary budgetary numbers. It remains to be seen whether a prevailing wage would be needed.

In the unlikely event that prevailing wage becomes an issue. The total cost impact to the proposal would increase the construction cost by roughly 25% to 30% above the original proposal taking the proposal estimate from \$1.25 million to between approximately \$1.56 and \$1.63 million.

“It was also stated that the YMCA would only include a Ice arena, pool, field house and weights, this is a false statement...” Councilor Kawecki

C4ASF's presentation to the City Council did not mention any of the amenities in the FACCF proposed community center.

“CER is being spoken for as if they are willing to run and operate this facility — I have spoken to a board member and school superintendent and they clearly stated the CER is the School and there is no agreement or partnership between the two groups.” Councilor Kawecki

Again, C4ASF would point Councilor Kawecki back to the fact that our presentation was a proposal and that CER was a suggestion. In addition, C4ASF never stated that there was any agreement or contract in place with CER or the school. We have spoken with CER on numerous occasions and discussed our proposal with one simple question: whether they believed that with the proper staffing they could manage the programs we propose to offer with the re-modeled SMEC building, and they have answered in the affirmative, with the caveat that any final decision would have to be made by management (e.g. the School and the City). We understood this and offered CER as a proposed option for consideration — nothing more.

“The initial presentation being shared by the group included therapy pools at Mayo Clinic — I can also confidently state there is no agreement or partnership between the two groups.” Councilor Kawecki

C4ASF has made only one presentation to the City. That presentation did not mention therapy pools at the Mayo Clinic.

“If we as a city are now supplementing the existing fitness centers in town, do we now get free memberships to the fitness centers as well for the same daily cost to the community center \$1.50/day or the yearly cost?” Councilor Kawecki

Councilor Kawecki’s statement is puzzling. C4ASF interviewed the fitness centers in town and none of them are receiving financial supplements or support from the City.

Conclusion:

It is C4ASF’s hope that there will be opportunity for further discussion with the City Council and Administration in the near future to explore our proposal to put the SMEC building into productive use. We look forward to your reply to this letter. Thank you.

Sincerely,

Richard S. Bradley, Jr.
c/o Citizens 4 A Strong Fairmont
P.O. Box 1076
Fairmont, MN 56031

Exhibit A

Updated Cost Analysis

Operating Hours

In our proposal we suggested that the facility would be operated approximately 50-hours per week. It would be shutdown twice per year. 1-week every 6-months for cleaning, maintenance and repairs. Our proposed hours of operation are shown below.

Open 6-days (M - S) per week. 50-weeks per year.

Open 10am - 5pm (M-Th), 10am - 9pm (Fr & Sat) = 50-hours

1-week shutdown every 6-months (Mar & Sep) for cleaning, maintenance and repairs.

These proposed hours of operation and the above adjustment to salaries, and wages would affect staffing costs as shown below. For the sake of discussion suppose we adjust hourly wages upward to a minimum of \$20 and then add on top of that 12% for health care and social security benefits. This would increase hourly wage to \$22.40, which is almost double the \$11.57 rate. How this would impact our costs for part-time assistants is still under investigation.

Staffing

\$65K to \$72K (Was \$50K) — Recreation Manager (New adjusted value).

\$168K (Was \$124K) — Assistants — 6 P/T @ 25 hrs/wk @ \$22.40/hr. — 2 for the 2nd-floor, 2 for the 1st-floor seniors and kids, 1 for the commons room, 1 for entry lobby sign-in desk

~\$6K (Was \$4K) — Special Event Assistant — 1 P/T @ 5 hrs/wk @ \$22.40/hr.

Accounting for the changes in salary for the Recreation Manager and the various part-time assistants mentioned above the new costs for staffing would increase from \$178K to somewhere between \$239K to \$246K.

Add to this cost the \$125K for the part-time security officers and the total for additional staffing is between \$364K and \$371.

Other Costs

\$90K — Current annual O&M cost. Some of this cost is currently picked up from UHD rent.

\$15K — Projected annual equipment maintenance cost.

Then add the updated current average operating cost of \$90K to these figures and the total operation and maintenance cost is equal to \$454 to \$461K. This figure, although higher than our \$404K estimate, is far less than Councilor Kawecky's feeling that operation and maintenance costs would be somewhere between \$1.0 and \$1.5 million.

Exhibit B
Current Updates Planned for the SMEC Building

- Replacing cracked sidewalk, 40' flagpole, and striping parking lot (\$26.5K)
- Replace roof (\$384K)
- Replace windows (\$44K)
- Replace mortar joints along facade (\$280K)
- Americans with Disabilities Act (ADA) upgrades (\$140K)
- Replace HVAC systems (\$2.6M)
- TOTAL COST (of the above) = \$3.475 million

Exhibit C
Councilor Kaweck's Email

Thank you for the email. I appreciated the presentation by Mr. Bradley and the group of people. However, this presentation all though well thought out has not done it due diligence. We as a council have voted to support the community center numerous times and have spent money supporting such vote to date. We have hired an owners representative, architect, and most recently a construction manager.

There were a few major red flags that came to mind when Mr. Bradley was presenting:

1. Operating and Maintenance Costs - 367K/year - I feel this is not an accurate number and would be much higher and would closer to 1-1.5million. How do we cover this except through increased taxes as the 0.5% sales tax cannot be used for this? The flyer in the Photo press states that the group plans to use liquor store funds but council and administration knows that liquor store funds are used currently and are also used for reserves, so this is an inaccurate statement. So the answer would be increased taxes to cover this operating and maintenance costs.

Or is the Liquor tax revenue a new tax that will be passed and we will need to change state statute? Either way, we do not have the money to cover operation and maintenance costs which will be much higher than 387k/yr.

City Council has voted to NOT operate and maintain the facility and that is why we have chosen to work with the YMCA and the Foundation so they will cover the costs named above versus Mr. Bradley's plan. This gives the city of Fairmont TWO back stops before the citizens of Fairmont are on the hook for the facility - this to me is a better plan?

Please also note that we have no operating costs, no construction costs, as we have just hired the architect and the construction manager for the project - if this comes in at 40 million we as a city cannot afford the community center and we will have to scrap the project or reduce it to the number we have budgeted - we as a city and as a council understand this.

We are waiting for the numbers to come in for the costs so they can be analyzed.

Please also note that the presentation noted one manager at 50k/ year - I do not think we have a city employee who is full time, with benefits and pension etc who is at 50k? They would also need assistant managers, programmers, and additional staff, the security guards - would they all qualify for pension and benefits, my guess is yes as city employees? - These are operation and Maintenance expenses - where does this come from - increased taxes?

We also have to consider replacement costs and that the facility will wear out much more quickly - where does this money come from? Increased taxes?

2. Amenities - This is not meant to be offensive but I am 40 years old and I am not sure what a slot car even is? I have asked people that are older than me but younger than 50 and people that are younger than me and they are not aware of it either. Kids "game" at home - with headphones with their friends and across the United States through their PlayStation's and other devices, I have asked parents and their children, they will not come to a center to "game." The feedback is that the amenities he is listing are recreating the youth center that existed in Mr. Bradley's generation in Fairmont. Kids and families today want a sports complex - please next time you go to Sioux Falls check out Denny Sanford Sports Complex - it is huge and it continues to grow - you can google it as well - it has numerous buildings and it is beyond successful. Is this Fairmont, No. But can we be a 1/16 version, maybe?

The amenities that he has listed, again, this is not to be offensive but as a parent of young children (10, 8, & 8) and friends of parents of children of all different ages and interests from hunting, horses, fishing, sports, crafting, arts, singing, and dancing to name a few. I have been told this resembles the youth center that existed in Fairmont in the 1960's and 1970's with almost all of the same activities.

Due diligence is an important aspect for success and this plan has come together in little to no time with many errors and mis-statements. The biggest being how it will be funded. I was sitting in the room when the contractor was speaking about the design, this design provided to Mr. Bradley is very basic and generalized. It also does not include prevailing wages for the work which would

be required as it is a municipal project and this was quoted as regular wage - this would be a major price difference as well.

It was also stated that the YMCA would only include a Ice arena, pool, field house, and weights, this is a false statement. The whole mission behind a YMCA is youth development, healthy living, and social responsibility. It is about christian principles that nature the potential of every child and teen, focuses on health and well being of people of all ages and finally social responsibility by giving back to the community by providing support to all of the community and neighbors.

Programs include: childcare, camps, sports, preventative disease educational programs (diabetes, blood pressure, weight), support groups (Alzheimer's, dementia, cancer, Parkinson's), active older adult programs that get people out of the house and socializing with people their age and youth, water safety, healthy eating, cooking classes, mentoring, group exercise, STEM.

Partnering and Collaborating with other programs in the city because together we work better then we do apart - CER, Schools, Kinship, Area Churches, Businesses

Eliminating barriers between ethnicities and social classes - all are welcome no matter.

3. CER is being spoken for as if they are willing to run and operate this facility - I have spoken to a board member and school superintendent and they clearly stated the CER is the School and there is no agreement or partnership between the two groups.

4. The initial presentation being shared by the group included therapy pools at Mayo Clinic - I can also confidently state that there is no agreement or partnership between between the two groups.

5. If we as a city are now supplementing the existing fitness centers in town, do we now get free memberships to the fitness centers as well for the same daily cost to the community center \$1.50/day or the yearly cost?

6. It also fails to meet the needs of the hockey association which requires updates to the arena which the fairgrounds owns and the facility is rented, we as a city are responsible for a portion of the funds to update the facility - which estimates are 5-7 million and in the end we will still not own the facility - it will only be rented which is a concern as this is money that we will not get back as citizens of Fairmont. Even if the 0.5% sales tax funds are used to update the fairgrounds arena we are still renting it and do not own it.

6. The information presented is has not been fact checked but is being spread to the community as such and I feel this is wrong in many many ways.

Thank you again for your email as I appreciate your feedback, clearly we do not agree on this issue but I do believe we both have Fairmont's best interest in mind.

Thank you kindly,

Britney Kaweck
Ward 2 Councilor
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