



CITY COUNCIL AGENDA

Friday, August 30, 2024, 12:30 p.m.

Special Meeting: Ice Compressor Installation & Ownership Agreement

- 1. Roll Call**
- 2. Pledge of Allegiance**
- 3. Approval of Agenda**
- 4. New Business: Ice Compressor Installation & Ownership Agreement**
- 5. Adjournment**



STAFF MEMO

Prepared by: Matt Skaret, Administrator	Meeting Date: 8/30/2024	<input type="checkbox"/> Consent Agenda Item <input checked="" type="checkbox"/> Regular Agenda Item <input type="checkbox"/> Public Hearing <input type="checkbox"/> Public Comment	Agenda Item # 4
Reviewed by:	Item: Consideration to Approve the Agreement for Improvements at the Martin County Multi-Use Recreational Facility		
Presented by: Matt Skaret, Administrator	Action Requested: Motion to Approve the Agreement for Improvements at the Martin County Multi-Use Recreational Facility		
Vote Required: <input checked="" type="checkbox"/> Simple Majority <input type="checkbox"/> Two-Thirds Vote <input type="checkbox"/> Roll Call	Staff Recommended Action: Approval Board/Commission/Committee Recommendation:		

PREVIOUS COUNCIL ACTION

March 28, 2022 – Original Agreement with Kraus-Anderson

November 9, 2022 – Joint Work Session (City Council, Fairmont Community Center Foundation, Fairmont Youth Hockey Association, Fairmont School District)

November 28, 2022– Motion Approved by Council to Authorize moving forward with the design and purchase of a new Ice Compressor and Mechanical

March 13, 2023 – Proposal to Split the JLG Contract into 3 Parts (Community Center, Ice Arena, and Refrigeration/Mechanicals at the Existing MCA – to move to new Arena once built)

August 28, 2023 – Amended Agreement with Kraus Anderson

August 26, 2024- Approval of Change Order #1 for the Refrigeration Improvements at the Martin County Arena

REFERENCE AND BACKGROUND

City Staff met with the Martin County Fair Board and Jessica Scholl from the Hockey Association on August 6th to discuss the compressor project and updating the respective agreements. It was agreed to that there would be an agreement with the Fair Board to allow the installation of the compressors, confirm City ownership, and that if the compressors are moved in the future the City would cause the Arena to be put back to its original condition. After the November election we will then update the existing Agreements between the City and Fair Board and Hockey Association.

Fair Board Attorney Brandon Edmundson presented a draft agreement to the City, which was then forwarded to City Attorney Cara Brown with Flaherty and Hood. Brown has reviewed the draft agreement and had some suggested edits. The agreement was then emailed to Edmundson who has reviewed it with Brown’s edits and given a verbal ok by himself and the Fair Board President, Robbin Celander.

Key parts of the Agreement are as follows:

1. The City may install the refrigeration equipment and related components along with the required associated improvements necessary;
2. The City agrees to pay the entire cost of the refrigeration equipment and for the installation of said compressors, related components, and all associated improvements;
3. The Parties agree that the City shall at all times have sole and exclusive ownership of the refrigeration equipment, including following installation of the equipment at the Facility;
4. The City shall retain the right to remove the refrigeration equipment from the Facility at any time as determined by the City;
5. The City shall pay all costs relating to the removal of the compressors and the City agrees to restore the Facility to as near as the condition it was in prior to the installation of the refrigeration equipment at the City's expense.
6. The Agreement of June 1, 20024 between the Fair Board and City remains in effect.

A list of equipment will be compiled and added to "Exhibit A" when it is available.

BUDGET IMPACT

SUPPORTING DATA/ATTACHMENTS

Agreement

**AGREEMENT FOR IMPROVEMENTS AT THE MARTIN COUNTY MULTI-USE
RECREATIONAL FACILITY**

This Agreement is entered into by and between the City of Fairmont, a municipal corporation organized under the laws of the State of Minnesota (the “City”) and the Martin County Fair, a Nonprofit Corporation (the “Society”); (collectively the “Parties”).

WHEREAS, the City and the Society previously entered into an Agreement dated June 1, 2004 for the use, maintenance, and improvement of the Martin County Multi-Use Recreational Facility (the “Facility”); and

WHEREAS, the 2004 Agreement requires that improvements made to the Facility be made pursuant to mutual agreement between the Parties, be made in writing, and specify which party shall be financially responsible for the improvements; and

WHEREAS, the City entered into an agreement dated March 17, 2022 with Kraus-Anderson Construction (the “KA Contract”) for the construction of a separate multi-purpose building to include but not be limited to an aquatic center, gymnasium, ice arena, fitness center (the “Community Center”), and possible renovations to the existing Facility; and

WHEREAS, the City approved a proposal to split the KA Contract into multiple components on February 27, 2023 and the subsequent contract amendment with JLG Architects including the refrigeration replacement project was approved on March 13, 2023; and

WHEREAS, the City intends to temporarily install the compressors in the Facility until such time as the compressors may be transferred and installed permanently in the Community Center; and

WHEREAS, the City wishes to make an improvement to the Facility per the refrigeration replacement project and is seeking the mutual agreement of the Parties to make said improvement; and

WHEREAS, the Society is amenable to approving the improvement in accordance with the terms and conditions of this agreement.

NOW, THEREFORE, the Parties do hereby mutually agree and contract with each other as follows:

1. The City may install the refrigeration equipment including two helical rotary compressors and related components along with the required associated improvements necessary to install the same in the Facility.
2. The City agrees to pay the entire cost of the refrigeration equipment and for the installation of said compressors, related components, and all associated improvements (collectively, the “refrigeration equipment” attached hereto as Exhibit A).

3. The Parties agree that the City shall at all times have sole and exclusive ownership of the refrigeration equipment, including following installation of the equipment at the Facility.
4. The City shall retain the right to remove the refrigeration equipment from the Facility at any time as determined by the City.
5. The City shall pay all costs relating to the removal of the compressors and the City agrees to restore the Facility to as near as the condition it was in prior to the installation of the refrigeration equipment at the City's expense.
6. The Parties agree that the refrigeration equipment shall only be used during the hockey season from September 15th to April 15th and shall be turned off and inoperable between April 16th to September 14th each year. The Parties further agree that the refrigeration equipment shall only be operated by the City, its employees, agents or authorized third-party users of the Facility.
7. The Society shall only be responsible for damage to or for loss of the refrigeration equipment to the extent caused by the negligent actions of the Society and/or its authorized agents while the compressors are located in the Facility.
8. The Parties hereto further agree that the cost of the refrigeration equipment and all associated improvements approved herein shall not be added to the value of the Parties' respective interests for purposes of calculating any option to purchase under paragraph 10A of the June 1, 2004 agreement.
9. Any modification or amendment to this Agreement shall require a written agreement signed by the Parties.
10. The remainder of the terms of the June 1, 2004 agreement shall remain in full force and effect.

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IN WITNESS THEREOF, of our mutual promises the Parties have signed this document on the ____ day of August, 2024.

CITY OF FAIRMONT

Lee Baarts, Mayor

ATTEST:

Betsy Steuber, City Clerk

MARTIN COUNTY FAIR BOARD

Robbin Celander, President

EXHIBIT A
Refrigeration Equipment

Attached is the final version of the agreement, presented to Council at the August 30, 2024 meeting. This final version was received (via email) from Flaherty-Hood/City Attorney Brown on Friday, August 30, 2024 at 12:25 pm.

**AGREEMENT FOR IMPROVEMENTS AT THE MARTIN COUNTY MULTI-USE
RECREATIONAL FACILITY**

This Agreement is entered into by and between the City of Fairmont, a municipal corporation organized under the laws of the State of Minnesota (the “City”) and the Martin County Fair, a Nonprofit Corporation (the “Society”); (collectively the “Parties”).

WHEREAS, the City and the Society previously entered into an Agreement dated June 1, 2004 for the use, maintenance, and improvement of the Martin County Multi-Use Recreational Facility (the “Facility”); and

WHEREAS, the 2004 Agreement requires that improvements made to the Facility be made pursuant to mutual agreement between the Parties, be made in writing, and specify which party shall be financially responsible for the improvements; and

WHEREAS, the City entered into an agreement dated March 17, 2022 with Kraus-Anderson Construction (the “KA Contract”) for the construction of a separate multi-purpose building to include but not be limited to an aquatic center, gymnasium, ice arena, fitness center (the “Community Center”), and possible renovations to the existing Facility; and

WHEREAS, the City approved a proposal to split the KA Contract into multiple components on February 27, 2023 and the subsequent contract amendment with JLG Architects including the refrigeration replacement project was approved on March 13, 2023; and

WHEREAS, the City intends to temporarily install the compressors in the Facility until such time as the compressors may be transferred and installed permanently in the Community Center; and

WHEREAS, the City wishes to make an improvement to the Facility per the refrigeration replacement project and is seeking the mutual agreement of the Parties to make said improvement; and

WHEREAS, the Society is amenable to approving the improvement in accordance with the terms and conditions of this agreement.

NOW, THEREFORE, the Parties do hereby mutually agree and contract with each other as follows:

1. The City may install the refrigeration equipment including two helical rotary compressors and related components along with the required associated improvements necessary to install the same in the Facility.
2. The City agrees to pay the entire cost of the refrigeration equipment and for the installation of said compressors, related components, and all associated improvements (collectively, the “refrigeration equipment” attached hereto as Exhibit A, together with any other associated facilities or components contained in Section 13 1812 – Ice Rink Refrigeration System).

3. The Parties agree that the City shall at all times have sole and exclusive ownership of the refrigeration equipment, including following installation of the equipment at the Facility.
4. The City shall retain the right to remove the refrigeration equipment from the Facility at any time as determined by the City.
5. The City shall pay all costs relating to the removal of the compressors and the City agrees to restore the Facility to as near as the condition it was in prior to the installation of the refrigeration equipment at the City's expense.
6. The Parties agree that the refrigeration equipment shall only be used during the hockey season from September 15th to April 15th and shall be turned off and inoperable between April 16th to September 14th each year. The Parties further agree that the refrigeration equipment shall only be operated by the City, its employees, agents or authorized third-party users of the Facility.
7. The Society shall only be responsible for damage to or for loss of the refrigeration equipment to the extent caused by the negligent actions of the Society and/or its authorized agents while the compressors are located in the Facility.
8. The Parties hereto further agree that the cost of the refrigeration equipment and all associated improvements approved herein shall not be added to the value of the Parties' respective interests for purposes of calculating any option to purchase under paragraph 10A of the June 1, 2004 agreement.
9. Any modification or amendment to this Agreement shall require a written agreement signed by the Parties.
10. The remainder of the terms of the June 1, 2004 agreement shall remain in full force and effect.

(the remainder of this page is intentionally left blank)

IN WITNESS THEREOF, of our mutual promises the Parties have signed this document on the ____ day of August, 2024.

CITY OF FAIRMONT

Lee Baarts, Mayor

ATTEST:

Betsy Steuber, City Clerk

MARTIN COUNTY FAIR

Robbin Celander, President

EXHIBIT A
Refrigeration Equipment

- 1) Package Refrigeration Systems: Trane Water Cooled Rotary Chiller TRWD 250 HE and Accessories
- 2) Ice Control System: Microprocessor-based Control System Using Honeywell T755B Model 2000 Series Step Temperature Controller Microprocessor components and accessories
- 3) Motor Starters and Variable Frequency Drivers: Cutler Hammer Westinghouse, Allen Bradley, General Electric, Siemens, Square D
- 4) All Motors to run Refrigeration Operations
- 5) Electrical Components
 - a. Enclosures
 - b. Disconnects
 - c. Fuses
 - d. Emergency Devices
 - e. Customer Monitoring Panels
 - f. Automatic Alarm Dialer
 - g. Power Factor Correction Capacitors
 - h. Phase Loss Protection
- 6) Rink Pumps: Aurora Series 340/360, Xylem Inc Bell and Gossett Series e1510 or equal and Accessories
- 7) Closed Circuit Cooling Tower: Baltimore Aircoil Company or approved equal
 - a. Fans
 - b. Coill
 - c. Water Systema and Eliminators
 - d. Corrosion Protection System
 - e. Water Pump
 - f. Walkways, Ladders, and Platforms
 - g. Remote Sump
 - h. Chemical Treatment System
- 8) Refrigerant Gas Monitoring System: Bacharach, Calibration Technologies, cool Air Mechanical, or equal and Accessories
- 9) Signage – Safety and Equipment Maintenance Signage