



Legislation Details (With Text)

File #: 2019-0627 **Version:** 1 **Name:** Power Wellness Management Contract Renewal
Type: MOTION **Status:** PASSED
File created: 8/20/2019 **In control:** Board of Trustees
On agenda: 9/16/2019 **Final action:** 9/16/2019
Title: Power Wellness Management Contract Renewal

Code sections:

Attachments: 1. OPHFC Renewal Presentation v2, 2. Contract - Amendment, 3. Contract - Signed

Date	Ver.	Action By	Action	Result
9/16/2019	1	Board of Trustees		
9/16/2019	1			
9/9/2019	1	Recreation	INTRODUCED TO BOARD	
9/3/2019	0	Parks and Recreation Committee		
8/20/2019	0	Recreation	INTRODUCED TO COMMITTEE	

Title

Power Wellness Management Contract Renewal

History

Power Wellness, the Village's contractual vendor which manages the Orland Park Health and Fitness Center (OPHFC), is in the last year of a three year contract.

Since January 2, 2017, the Power Wellness has successfully worked through a multitude of facility and membership issues on the Village's behalf. Many of these were remediation actions as the Village invested funds to repair the facility after years of desrepair.

A number of key statistics illustrate the positive growth of the Center under Power Wellness with the Village's support since the end of 2016 when the facility was under different ownership.

- 2016 Membership of 3,357 to the current membership of 3,915
- A retention rate of 32% in 2016 to 76% in 2019
- An operating loss of \$451,985 in 2016 to a projected year-end net gain of \$115,320 in 2019

The Recreation Department has oversight of the center ensuring Power Wellness manages the facility at the highest level of expectation consistent with the Village values. Recreation staff have found Power Wellness staff to be extremely responsive, professional and customer oriented in the management of the OPHFC.

In 2019, the center scored a 78% in favorable feedback from its membership on the Net Promoter Score. In the fall of 2018, Power Wellness received a 100% score from the Medical Fitness Association during the reaccreditation process.

The end of July revenues exceeded budget projections and are approximately 10.75% better than the first seven months of 2018. Based upon the exceptional performance of Power Wellness. Staff would like to recommend the current contract be extended three additional years from 2020 through 2022.

On September 3, 2019, this item was reviewed and approved by the Parks and Recreation committee and referred to the Board for approval.

Financial Impact

Funds will be budgeted in FY 2020,2021,2022, and 2023 to cover the cost of the agreement.

Recommended Action/Motion

I move to approve the Power Wellness Management contract to be extended an additional three years from 2020 through 2022 with the option to renew for two additional years for 2023-2024.