CITY COUNCIL FOLLOW UP REPORT

MEETING DATE: **ITEM NUMBER:**

TO: Council Members/ City Manager

FROM: Steve Mandoki, Administrative Services Director

CC: Terri L. Cassidy, Human Resources Manager

DATE: September 18, 2006

SUBJECT: Twenty-Four Hour Fitness Corporate Membership Information

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Background:

Per the request made at the September 5, 2006 City Council meeting, we have contacted the Corporate Membership Counselor at Twenty-Four Hour Fitness. The following information is in regards to the Corporate Wellness Program, which would provide reduced club membership rates to City employees and their families.

Details on the Corporate Wellness Program:

The City of Costa Mesa would pay an annual company sponsor fee of $2,250 (this rate includes a 25% discount from the normal sponsor fee because the City is a government agency.) This annual fee would pay for the Twenty Four Hour Fitness Corporate Wellness Program for one year which would provide the following benefits to employees of the City:

- Enrollment fees for employees, which typically cost between $250-$350/person, would be waived.
- Employees who are currently members and have recently paid processing fees would be able to transfer the cost to payment of monthly dues.
- Discounted monthly dues of $29 for one club membership (retail $36) or $36.99 for all-club membership (retail $43). (Reduction of rates for current members of Twenty-Four Hour Fitness)
- Enrollment of family members of employees for $49 with monthly dues of $20.99 for a spouse and $15.99 for a child.

The City of Costa Mesa (and employees) would also receive the following additional benefits:

- In house fitness seminars provided by Twenty-Four Hour Fitness staff (on a quarterly or semi-annual basis)
- Seminars or information booths at our health fairs
- Monthly newsletters

Additional Information:

The membership contract between the City of Costa Mesa and Twenty Four Hour fitness would be renewable on an annual basis. Renewing the contract each year would freeze the monthly dues that employees pay so they would not increase periodically. If the City chose not to renew the contract after one year, employees who have utilized the program would continue to pay the same monthly dues, but new employees would not be able to enroll in the program.